State of Arkansas
92nd General Assembly
Regular Session, 2019

A Bill

HOUSE BILL 1430

By: Representative Dotson
By: Senator B. Ballinger

For An Act To Be Entitled

AN ACT TO ELIMINATE UNNECESSARY REFERENCES TO REGULATIONS THROUGHOUT THE ARKANSAS CODE; TO PROVIDE FOR CONSISTENT REFERENCES TO RULES THROUGHOUT THE ARKANSAS CODE; TO CHANGE THE NAME OF A ARKANSAS LEGISLATIVE COUNCIL SUBCOMMITTEE; TO AMEND PORTIONS OF THE ARKANSAS CODE RESULTING FROM INITIATED ACT 1 OF 1914, INITIATED ACT 4 OF 1948, INITIATED ACT 1 OF 1988, AND INITIATED ACT 1 OF 1996; AND FOR OTHER PURPOSES.

Subtitle

TO ELIMINATE UNNECESSARY REFERENCES TO REGULATIONS AND TO PROVIDE FOR CONSISTENT REFERENCES TO RULES THROUGHOUT THE ARKANSAS CODE; AND TO CHANGE THE NAME OF A ARKANSAS LEGISLATIVE COUNCIL SUBCOMMITTEE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. DO NOT CODIFY. Legislative findings and intent.

(a) The General Assembly finds:

(1) The Administrative Procedure Act, § 25-15-202(9)(A) defines "rule" as "an agency statement of general applicability and future effect that implements, interprets, or prescribes law or policy, or describes the organization, procedure, or practice of an agency and includes, but is not

limited to, the amendment or repeal of a prior rule".

(2) While the term "regulation" is not defined in the Administrative Procedure Act, the term is used interchangeably with the defined term "rule" throughout the Arkansas Code;

(3) Use of the term "regulation" out of the proper context creates confusion and inconsistency in the Arkansas Code;

(4) This act provides for the uniform use of the term "rule" for an agency statement of general applicability and future effect that implements, interprets, or prescribes law or policy, or describes the organization, procedure, or practice of an agency and includes, but is not limited to, the amendment or repeal of a prior rule throughout the Arkansas Code as envisioned by defining of the term in the Administrative Procedures Act.

(b) It is the intent of the General Assembly that the uniform use of the term rule shall be applied to mean an agency statement of general applicability and future effect that implements, interprets, or prescribes law or policy, or describes the organization, procedure, or practice of an agency and includes, but is not limited to, the amendment or repeal of a prior rule, and includes a regulation.

SECTION 2. Arkansas Code § 2-1-102(c), concerning the definition of "sustainable agriculture", is amended to read as follows:

(c)(1) The Arkansas Agriculture Department and the State Plant Board shall interpret any administrative rule or federal rule or regulation promulgated by a state or federal agency that establishes standards for harvesting or producing agricultural crops in accordance with the definition and guidelines provided in this section.

(2) This section does not apply to silviculture and any state rules or federal rules or regulations regarding silviculture.

SECTION 3. Arkansas Code § 2-5-207(a)(6), concerning unlawful acts, penalties, and revocations of certificate under the Commercial Bait and Ornamental Fish Act, is amended to read as follows:

(6) Violate any rule ~~or regulation~~ of the board under this subchapter; or

SECTION 4. Arkansas Code § 2-6-105(a) and (b), concerning the exceptions to registration and suspension of a catfish processer, are amended to read as follows:

(a)(1) Except as provided in subsection (e) of this section, every catfish processor in the state shall register with the State Plant Board.

(2) Applications for registration as a catfish processor under this chapter shall be made on forms prescribed by the Director of the State Plant Board.

(3) Every application is to be accompanied by an application fee of one hundred fifty dollars ($150), a certified financial statement in a form prescribed by the director, and any further information the director may by ~~regulation~~ rule require.

(b) The board shall promulgate such rules ~~and regulations~~ as necessary to secure the performance of catfish purchasing obligations.

SECTION 5. Arkansas Code § 2-6-106(c), concerning unlawful practices with respect to the purchase, sale, or handling of catfish or catfish products, is amended to read as follows:

(c) The board is authorized to apply for and the court is authorized to grant a temporary or permanent injunction restraining any person from violating or continuing to violate any of the provisions of this chapter or any rule ~~or regulation~~ promulgated under this chapter, notwithstanding the existence of other remedies at law. The injunction shall be issued without bond.

SECTION 6. Arkansas Code § 2-9-109(a)(2), concerning the rules regarding catfish feed assessment records, is amended to read as follows:

(2) The records shall be in such form and contain other information as the Arkansas Catfish Promotion Board shall prescribe by rule ~~or regulation~~.

SECTION 7. Arkansas Code § 2-15-302(8)(B)(iii), concerning an exemption to the definition of "permitted lien" under the Grain, Soybean, and Peanut Owner’s Lien Act, is amended to read as follows:

(iii) Is not validly perfected with a first priority against the claims of all persons under applicable law other than a person

holding a statutory or regulatory lien as to which first priority is granted by statute or ~~regulation~~ rule;

SECTION 8. Arkansas Code § 2-16-203(b)(2)(B), concerning the penalties for a violation of State Plant Board rules, is amended to read as follows:

(B) The board may promulgate any other ~~regulation~~ rule necessary to carry out the intent of this section.

SECTION 9. Arkansas Code § 2-16-404(a) concerning penalties of the State Plant Board, is amended to read as follows:

(a) Any person who violates any provision of this subchapter or a ~~regulation~~ rule adopted under this subchapter shall be guilty of a violation and upon conviction shall be punished for the first offense by a fine of not less than one hundred dollars ($100) nor more than one thousand dollars ($1,000) and for the second and any additional offense a fine of not less than five hundred dollars ($500) nor more than two thousand dollars ($2,000).

SECTION 10. Arkansas Code § 2-16-407(e) and (f), concerning pesticide registration requirements, are amended to read as follows:

(e) The board may prescribe other necessary information by ~~regulation~~ rule.

(f) The applicant desiring to register a pesticide shall pay an annual registration fee as prescribed in the ~~regulations~~ rules of the board for each pesticide registered by the applicant. The annual registration fee shall be no less than sixty dollars ($60.00) for each product registered. All registrations shall expire December 31 each year.

SECTION 11. Arkansas Code § 2-16-610(a), concerning the designation of boll weevil eradication zones, the prohibition of planting cotton, the participation in suppression eradication program, and penalties, is amended to read as follows:

(a) The State Plant Board may designate by ~~regulation~~ rule one (1) or more areas of this state as eradication zones where boll weevil eradication programs will be undertaken.

SECTION 12. Arkansas Code § 2-16-610(d)(1), concerning the designation

of boll weevil eradication zones, the prohibition of planting cotton, the participation in suppression eradication program, and penalties, is amended to read as follows:

(d)(1) The board may set by ~~regulation~~ rule a reasonable schedule of penalty fees to be assessed when growers in designated eradication zones do not meet the requirements of rules issued by the board with respect to reporting of acreage and participation in cost sharing as prescribed by ~~regulation~~ rule.

SECTION 13. Arkansas Code § 2-18-105(b)(1), concerning advertising and promotion fees set by the State Plant Board, is amended to read as follows:

(b)(1) To cover costs of promotion and advertising of certified seed, the board after a public hearing shall establish by ~~regulation~~ rule promotion and advertising fees which shall be collected in advance. The fees shall be assessed upon the acreage grown for certified agricultural seed production or upon the number of certified tags and labels sold for production of certified seed from the acreage.

SECTION 14. Arkansas Code § 2-19-201(a), concerning the penalty for the sale of fertilizer, is amended to read as follows:

(a) Any person selling or offering for sale any fertilizer or fertilizer material in violation of a provision of this subchapter, of a ~~regulation~~ rule made under this subchapter, or of a notice issued under the authority of this subchapter shall be guilty of a violation.

SECTION 15. Arkansas Code § 2-19-302 is amended to read as follows:

2-19-302. Penalty.

Any person who shall violate any provision of this subchapter or any ~~regulation~~ rule adopted under this subchapter shall upon conviction be guilty of a violation and fined not less than one hundred dollars ($100) for the first offense and not less than three hundred dollars ($300) for every subsequent offense.

SECTION 16. Arkansas Code § 2-19-402(11)(C), concerning the definition of "misbranded" under the Soil Amendment Act of 1977, is amended to read as follows:

(C) Any material is represented as a soil amendment or is represented as containing a soil amendment, unless the soil amendment conforms to the definition of identity, if any, prescribed by ~~regulation~~ rule;

SECTION 17. Arkansas Code § 2-19-407(d)(3), concerning the labeling requirements and approval of ingredients for soil amendments, is amended to read as follows:

(3) The board may stipulate, by ~~regulation~~ rule, the quantities of the soil-amending ingredients required in soil amendments.

SECTION 18. Arkansas Code § 2-19-413(a), concerning authorization to issue injunctions for violations of the rules related to soil amendments, is amended to read as follows:

(a) The State Plant Board is authorized to apply for, and the court is authorized to grant, a temporary or permanent injunction restraining any person from violating or continuing to violate any of the provisions of this subchapter or any rule ~~or regulation~~ promulgated under it, notwithstanding the existence of other remedies at law.

SECTION 19. Arkansas Code § 2-20-508(a)(2), concerning records and documentation required by the Arkansas Rice Research and Promotion Board, is amended to read as follows:

(2) The records shall be in such form and contain other information as the Arkansas Rice Research and Promotion Board shall prescribe by rule ~~or regulation~~.

SECTION 20. Arkansas Code § 2-32-402(9)(B)(iii), concerning the definition of "permitted lien" under the Livestock Owner's Lien Act, is amended to read as follows:

(iii) Is not validly perfected with a first priority against the claims of all persons under applicable law other than a person holding a statutory or regulatory lien as to which first priority is granted by statute or ~~regulation~~ rule;

SECTION 21. Arkansas Code § 2-36-206(a)(2), concerning appropriations

for construction and operation of a district livestock show, is amended to read as follows:

(2) No state funds may be paid over to any district association unless and until the executive officer shall have furnished bond to the State of Arkansas in such form and amount and containing such conditions and type of surety as the Arkansas Livestock and Poultry Commission shall by general ~~regulation~~ rule determine.

SECTION 22. Arkansas Code § 2-36-208 is amended to read as follows:

2-36-208. Bonding of executive officers.

No state funds may be paid over to any county and district livestock show or fair association unless and until the executive officer shall have furnished bond to the State of Arkansas in such form and amount and containing such conditions and type of surety as the Arkansas Livestock and Poultry Commission shall by general ~~regulation~~ rule determine.

SECTION 23. Arkansas Code § 2-37-105(a)(3) and (4), concerning the labeling of commercial feed, are amended to read as follows:

(3) The guaranteed analysis stated in such terms as the State Plant Board by ~~regulation~~ rule determines is required to advise the user of the composition of the feed or to support claims made in the labeling. In all cases the substances or elements must be determinable by laboratory methods such as the methods published by the AOAC International.

(4) The common or usual name of each ingredient used in the manufacture of the commercial feed, provided that the board by ~~regulation~~ rule may permit the use of a collective term for a group of ingredients which perform a similar function, or the board may exempt such commercial feeds, or any group thereof, from this requirement of an ingredient statement if the board finds that such statement is not required in the interest of consumers.

SECTION 24. Arkansas Code § 2-37-105(a)(6) and (7), concerning the labeling of commercial feed, are amended to read as follows:

(6) Adequate directions for use for all commercial feeds containing drugs and for such other feeds as the board may require by ~~regulation~~ rule as necessary for their safe and effective use.

(7) Such precautionary statements as the board by

~~regulation~~ rule determines are necessary for the safe and effective use of the commercial feed.

SECTION 25. Arkansas Code § 2-37-105(b)(5), concerning the labeling of commercial feed, is amended to read as follows:

(5) Adequate directions for use and precautionary statements for all customer-formula feeds containing drugs and for such other feeds as the board may require by ~~regulation~~ rule as necessary for their safe and effective use.

SECTION 26. Arkansas Code § 2-37-110 is amended to read as follows:

2-37-110. ~~Regulations~~ Rules.

(a) The State Plant Board is authorized to promulgate such reasonable ~~regulations~~ rules as may be necessary for the efficient enforcement of this chapter. In the interest of uniformity the board shall by ~~regulation~~ rule adopt, unless the board determines that they are inconsistent with the provisions of this chapter or are not appropriate to conditions which exist in this state, the following:

(1) The Official Definitions of Feed Ingredients and Official Feed Terms adopted by the Association of American Feed Control Officials and published in the Official Publication Association of American Feed Control Officials; and

(2) Any ~~regulation~~ rule promulgated pursuant to the authority of the Federal Food, Drug, and Cosmetic Act, provided, that the board would have the authority under this chapter to promulgate such ~~regulations~~ rule.

(b) Before the issuance, amendment, or repeal of any ~~regulation~~ rule authorized by this chapter, the board shall publish the proposed ~~regulation~~ rule, amendment, or notice to repeal an existing ~~regulation~~ rule in a manner reasonably calculated to give interested parties, including all current registrants, adequate notice and shall afford all interested persons an opportunity to present their views thereon, orally or in writing, within a reasonable period of time. After consideration of all views presented by interested persons, the board shall take appropriate action to issue the proposed ~~regulation~~ rule or to amend or repeal an existing ~~regulation~~ rule. The provisions of this subsection notwithstanding, if the board, under the authority of this subsection, adopts the Official Definitions of Feed

Ingredients or Official Feed Terms as adopted by the Association of American Feed Control Officials, or regulations promulgated under the authority of the Federal Food, Drug, and Cosmetic Act, any amendment or modification adopted by said Association or by the United States Secretary of Health and Human Services in the case of regulations promulgated pursuant to the Federal Food, Drug and Cosmetic Act, shall be adopted automatically under this chapter without regard to the publication of the notice required by this subsection (b), unless the board by order specifically determines that said amendment of modification shall not be adopted.

SECTION 27. Arkansas Code § 2-37-113(d), concerning penalties for violations of State Plant Board rules, is amended to read as follows:

(d) The board is authorized to apply for and the court to grant a temporary or permanent injunction restraining any person from violating or continuing to violate any of the provisions of this chapter or any ~~regulation~~ rule promulgated under the chapter notwithstanding the existence of other remedies at law. The injunction shall be issued without bond.

SECTION 28. Arkansas Code § 2-40-205(b), concerning the livestock or poultry blood test training program, is amended to read as follows:

(b) These technicians shall be used at the market, where economically feasible, except when in violation of state law or rule or federal law, rule, or regulation.

SECTION 29. Arkansas Code § 2-40-403 is amended to read as follows:

2-40-403. Requirements.

The Arkansas Livestock and Poultry Commission shall, by ~~regulation~~ rule, specify acceptable methods for the disposal of fowl carcasses, including, but not limited to:

(1) Composting of carcasses;

(2) Cremation or incineration;

(3) Extrusion;

(4) On-farm freezing;

(5) Rendering; and

(6) Cooking for swine feed.

SECTION 30. Arkansas Code § 2-40-404 is amended to read as follows:

2-40-404. Specifications.

The Arkansas Livestock and Poultry Commission shall, by ~~regulation~~ rule, specify acceptable methods of the disposal of fowl carcasses in the event of a major die-off.

SECTION 31. Arkansas Code § 3-1-103(a)(2), concerning products exempted from the Arkansas Alcoholic Control Act, is amended to read as follows:

(2) All wines or vinous liquors which shall be manufactured without the confines of this state shall be legally sold, imported, transported, possessed, and consumed only upon payment of the same privilege and excise taxes as provided for all other alcoholic liquors which are included and legalized under the provisions of this act, and traffic in such vinous liquors shall be subject to all ~~regulations~~ rules provided herein.

SECTION 32. Arkansas Code § 3-2-201(g), concerning the Alcoholic Beverage Control Board, is amended to read as follows:

(g) In addition to any other powers, duties, and authority, the board shall be vested with the additional authority to establish written policies for the enforcement, by the Alcoholic Beverage Control Enforcement Division, of the laws and ~~regulations~~ rules affecting alcoholic beverage control.

SECTION 33. Arkansas Code § 3-2-202(a), concerning the Director of Alcoholic Beverage Control, is amended to read as follows:

(a) The Director of Alcoholic Beverage Control shall be an attorney duly authorized to practice law by the Supreme Court, who shall present all evidence tending to prove violations of the law or ~~regulations~~ rules at hearings held by the Alcoholic Beverage Control Board.

SECTION 34. Arkansas Code § 3-2-204(d) and (e), concerning the seal of the Director of the Alcoholic Beverage Control Division and the Alcoholic Beverage Control Board, are amended to read as follows:

(d) All acts, orders, proceedings, rules, ~~regulations,~~ entries, minutes, and other records of the director and all reports and documents filed with the director may be proved in any court of this state by copy

thereof, certified by the director with the seal of the director attached.

(e) All acts, orders, proceedings, rules, ~~regulations,~~ entries, minutes, and other records of the board and all reports and documents filed with the director may be proved in any court of this state by copy thereof, certified by the chair of the board with the seal of the board attached.

SECTION 35. Arkansas Code § 3-2-205(b)(2), concerning the powers and duties of the Alcoholic Beverage Control Division and the Alcoholic Beverage Control Enforcement Division, is amended to read as follows:

(2) To adopt rules ~~and regulations~~ for the supervision and control of the manufacture and sale of vinous (except wines), spirituous, or malt liquors throughout the state not inconsistent with law;

SECTION 36. Arkansas Code § 3-2-205(b)(6), concerning the powers and duties of the Alcoholic Beverage Control Division and the Alcoholic Beverage Control Enforcement Division, is amended to read as follows:

(6) To adopt rules ~~and regulations~~ for the supervision and control of nonresident beer sellers' permits.

SECTION 37. Arkansas Code § 3-2-206 is amended to read as follows:

3-2-206. Rules ~~and regulations~~.

(a) The Director of the Alcoholic Beverage Control Division shall adopt and promulgate such rules ~~and regulations~~ as shall be necessary to carry out the intent and purposes of this subchapter and any other alcohol control acts enforced in this state.

(b) All rules ~~and regulations~~ of general application, including the amendment or repeal thereof, shall first be submitted by the director to the Alcoholic Beverage Control Board for its approval and upon approval shall be filed in the office of the Secretary of State.

(c) All the valid rules ~~and regulations~~ adopted under the provisions of this subchapter shall be absolutely binding upon all licensees and enforceable by the director through the power of suspension or cancellation of licenses.

(d) It is intended by this grant of power to adopt rules ~~and regulations~~ that the director shall be clothed with broad discretionary power to govern the traffic in alcoholic liquor and to enforce strictly all the

provisions of the alcohol control laws of this state.

(e) The Alcoholic Beverage Control Division is authorized to assess a ~~regulation~~ rule book fee which shall not exceed ten dollars ($10.00) for each ~~regulation~~ rule book.

SECTION 38. Arkansas Code § 3-2-212(b), concerning the denial, suspension, or revocation of licenses by the Director of the Alcoholic Beverage Control Division, is amended to read as follows:

(b) The proceedings shall be in accordance with rules ~~and regulations~~ established by the director and not inconsistent with law.

SECTION 39. Arkansas Code § 3-2-213(b)(5), concerning the denial, suspension, or revocation of a license and an appeal to the Alcoholic Beverage Control Board, is amended to read as follows:

(5) The board shall adopt such rules ~~and regulations~~ as it shall deem necessary to govern the procedure in the hearing, and the board shall not be bound by the legal rules of evidence in hearing appeals and in making its determination.

SECTION 40. Arkansas Code § 3-2-404(5)(b)(ii), concerning a request to change wholesalers under the Arkansas Alcoholic Control Act, is amended to read as follows:

(ii) A wholesaler's repeated violations of any provision of federal or state law, rule, or ~~regulations~~ regulation, whether or not such violations resulted in official action;

SECTION 41. Arkansas Code § 3-2-406(c), concerning hearings requesting to change wholesalers before the Director of the Alcoholic Beverage Control Division, is amended to read as follows:

(c) Any aggrieved party may appeal the decision of the director to the full board to be heard de novo and any such appeal hearing will be scheduled and held pursuant to hearing procedures established for the Alcoholic Beverage Control Division by state law and division ~~regulations~~ rules.

SECTION 42. Arkansas Code § 3-2-412(b), concerning the prohibition of dual distributorships, is amended to read as follows:

(b) In addition to any remedies to any aggrieved party authorized by law, the Director of the Alcoholic Beverage Control Division may withdraw approval of any and all brands registered by any manufacturer found to be in violation of this subchapter, such findings to be made after a hearing pursuant to hearing procedures established for the Alcoholic Beverage Control Division by state law and administrative ~~regulations~~ rules.

SECTION 43. Arkansas Code § 3-3-213(2)(B), concerning exclusivity agreements in manufacturer-seller relationships, is amended to read as follows:

(B) Furnishing, giving, renting, lending, or selling to the retailer any equipment, fixtures, signs, supplies, money, service, or other thing of value, subject to exceptions provided by the rules ~~and regulations~~ of the Alcoholic Beverage Control Board and established trade customs;

SECTION 44. Arkansas Code § 3-3-218(e), concerning the enforcement of the duty of care of privilege license holders, is amended to read as follows:

(e) The Alcoholic Beverage Control Division and its board are hereby authorized to adopt ~~regulations~~ rules to implement each and every provision of this section.

SECTION 45. Arkansas Code § 3-3-303 is amended to read as follows:

3-3-303. Rules ~~and regulations~~.

The Director of the Alcoholic Beverage Control Division shall promulgate all rules ~~and regulations~~ necessary to enforce and administer this subchapter.

SECTION 46. The introductory language of Arkansas Code § 3-4-214, concerning the contents of Alcoholic Beverage Control Division permits, is amended to read as follows:

A permit shall contain, in addition to any further information or material to be prescribed by the rules ~~and regulations~~ of the Alcoholic Beverage Control Division, the following:

SECTION 47. Arkansas Code § 3-4-220 is amended to read as follows:

3-4-220. Duplicate permits.

Whenever a permit shall be lost or destroyed without fault on the part of the permittee or his or her agents or employees, a duplicate permit in lieu thereof may be issued by the Director of the Alcoholic Beverage Control Division in his or her discretion and in accordance with its rules ~~and regulations~~, on payment of a fee of five dollars ($5.00).

SECTION 48. Arkansas Code § 3-4-401 is amended to read as follows:

3-4-401. Authorization to impose fines.

In addition to all other sanctions and penalties which may be administratively imposed by the Director of the Alcoholic Beverage Control Division pursuant to the procedures outlined in this title and the Arkansas Administrative Procedure Act, § 25-15-201 et seq., the director shall have the power and authority to levy fines and suspend them against controlled beverage permit holders when the director determines the permit holder has violated the alcoholic beverage control laws of this state or ~~regulations~~ rules of the Alcoholic Beverage Control Division.

SECTION 49. Arkansas Code § 3-4-404(3), concerning Class B violations of alcoholic beverage control laws, is amended to read as follows:

(3) Transporting controlled beverages in violation of ~~regulations~~ rules or law;

SECTION 50. Arkansas Code § 3-4-407(a), concerning violations of local closing hours laws, is amended to read as follows:

(a) The General Assembly, by legislation, and the Alcoholic Beverage Control Division, by ~~regulations~~ rule, have created general closing hours for establishments which sell or dispense alcoholic beverages. However, the General Assembly and the division have also given the power to local city governments or local county quorum courts to adopt hours of operation which are more restrictive than the general hours of operation stated for certain permits issued by the division. It is recognized that it is more convenient for local authorities to change local ordinances on a basis that can be more frequent than the basis with which the General Assembly meets or the division adopts ~~regulations~~ rules. For that reason, local control of these issues, as allowed by Code sections and regulations, is desirable. It is also recognized

that when a city or county adopts a more restrictive law in this area it is unnecessary and burdensome for the city or county to notify the division each time that a modification is made to local laws, and for this reason enforcement of more restrictive ordinances should be by local law enforcement personnel who are attached to the jurisdiction which creates the more restrictive hours-of-operations law.

SECTION 51. Arkansas Code § 3-4-602(d), concerning distillers or manufacturers, is amended to read as follows:

(d) If the director shall grant the application, he or she shall issue a permit in such form as shall be determined by rules ~~and regulations~~ established by the director.

SECTION 52. Arkansas Code § 3-4-606(a), concerning additional requirements for alcoholic beverage wholesalers, is amended to read as follows:

(a) In addition to any restriction or requirement now imposed by law or by valid ~~regulation~~ rule promulgated in accordance with law, the following persons shall not be eligible hereafter to receive, obtain, or be granted any wholesale liquor permit:

(1) Any individual person who is not a citizen and bona fide resident of the State of Arkansas and who has not been domiciled in the State of Arkansas continuously for at least five (5) years next preceding the date of his or her application for permit;

(2) Any corporation in which any officer, director, manager, or stockholder of which would be ineligible as an individual person to obtain a permit by reason of the foregoing provisions of subdivision (a)(1) of this section or by reason of any other existing restriction or provision of law or valid ~~regulation~~ rule promulgated in accordance with law; or

(3) Any partnership, any of whose members or manager would be ineligible as an individual to obtain such permit by reason of the provisions of subdivision (a)(1) of this section or of any other provisions of law or valid ~~regulation~~ rule as aforesaid.

SECTION 53. Arkansas Code § 3-4-606(b)(3), concerning additional requirements for alcoholic beverage wholesalers, is amended to read as

follows:

(3) No stock in any corporation holding a permit shall be issued or transferred to any ineligible individual, except in the case of transfer by reason of death of a stockholder. In that event, the transfer by death to any ineligible individual shall be reported by the corporation to the issuing officer or authority not later than sixty (60) days after the death. If within six (6) months thereafter the stock transferred by death shall not have been transferred by bona fide transaction to an individual otherwise eligible to receive the permit as provided herein, and as provided by existing law or ~~regulations~~ rule, as aforesaid, the permit of the corporation shall immediately be revoked and cancelled.

SECTION 54. Arkansas Code § 3-4-606(d)(1), concerning additional requirements for alcoholic beverage wholesalers, is amended to read as follows:

(d)(1) Any wholesale liquor permit that may be issued to any individual, partnership, or corporation which shall be found thereafter ineligible as provided in this section, or as otherwise provided by law or ~~regulations~~ rule, shall be cancelled and revoked.

SECTION 55. Arkansas Code § 3-4-704 is amended to read as follows:

3-4-704. Rules ~~and regulations~~.

The Alcoholic Beverage Control Division is authorized to adopt reasonable rules ~~and regulations~~ to carry out the intent and provisions of this subchapter, to establish appropriate application forms, permit forms, and procedures, and to do any and all other things necessary to implement the provisions of this subchapter.

SECTION 56. Arkansas Code § 3-4-706(c)(4), concerning military service club mixed drink permits, is amended to read as follows:

(4) The division is authorized to adopt reasonable rules ~~and regulations~~ to provide for the operation of such service clubs consistent with the intent and purposes of this section.

SECTION 57. Arkansas Code § 3-4-803(a)(2), concerning the Alcoholic Beverage Control Board responsible permitee program. is amended to read as

follows:

(2) To that end, the board shall adopt rules ~~and regulations~~ which shall implement the intent of this subchapter.

SECTION 58. Arkansas Code § 3-4-806 is amended to read as follows:

3-4-806. Mitigation of fines or penalties.

The Alcoholic Beverage Control Board shall consider certification of a permittee in the responsible permittee program in mitigation of administrative penalties or fines for a permittee's or employee's violation of state laws and ~~regulations~~ rules relating to the sale of alcoholic beverages.

SECTION 59. Arkansas Code § 3-4-905 is amended to read as follows:

3-4-905. ~~Regulations~~ Rules and forms.

The Alcoholic Beverage Control Division is authorized to adopt reasonable rules ~~and regulations~~ implementing and facilitating the purpose and intent of this subchapter, to establish appropriate application forms, permit forms, and procedures, and to do any and all other things necessary to implement the provisions of this subchapter.

SECTION 60. Arkansas Code § 3-5-105(f), concerning beer festival permits, is amended to read as follows:

(f) Every provision of this section shall be subject to all beer and malt beverage laws and ~~regulations~~ rules, except that conflicting beer and malt beverage laws and ~~regulations~~ rules shall be inapplicable to any provision of this section to the extent that they conflict herewith.

SECTION 61. Arkansas Code § 3-5-202(9), concerning the definition of "regulation" or "proper regulation" under the laws legalizing the manufacture and sale of beer and light wine, is amended to read as follows:

(9) ~~"Regulation"~~ "Rule" or "proper ~~regulation~~ rule" means such reasonable ~~regulations~~ rules authorized by law and made and promulgated by the Director of the Alcoholic Beverage Control Division with the approval of the Alcoholic Beverage Control Board;

SECTION 62. Arkansas Code § 3-5-205(d), concerning exceptions to the

levy and collection of privilege tax, is amended to read as follows:

(d) The tax shall be levied, assessed, and collected by such methods, within the limitations prescribed in this subchapter, and under such ~~regulations~~ rules as may be regularly provided.

SECTION 63. Arkansas Code § 3-5-206(b), concerning the issuance of a state permit by the Director of the Alcoholic Beverage Control Division, is amended to read as follows:

(b) A permit shall be applied for by the special taxpayer and issued by the director on such forms and under such ~~regulations~~ rules as may be prescribed.

SECTION 64. Arkansas Code § 3-5-217(c), concerning the transportation of products, is amended to read as follows:

(c) The transportation of such liquor into or within this state in all cases shall be under such ~~regulations~~ rules as may be regularly prescribed.

SECTION 65. Arkansas Code § 3-5-222(c), concerning the prohibition of nudity on premises, is amended to read as follows:

(c) The Alcoholic Beverage Control Board shall promulgate such ~~regulations~~ rules as it deems necessary for the implementation of this section.

SECTION 66. Arkansas Code § 3-5-226(b), concerning on-premises sales by a brewery, is amended to read as follows:

(b)(1) The Alcoholic Beverage Control Board is hereby authorized to promulgate reasonable rules ~~and regulations~~ for the on-premises sale with foods and the off-premises package sale, labeling, and identification of beer sold at beer outlets maintained on the premises and operated in connection with a brewery in this state.

(2) Such ~~regulations~~ rules shall include the following minimum requirements:

(A) The brewery shall provide tours through its facilities; and

(B) Only sealed containers may be removed from the brewery premises.

SECTION 67. Arkansas Code § 3-5-601(a)(2), concerning legislative determinations and intent regarding the production and sale of native wines, is amended to read as follows:

(2) It is essential that the ~~regulations~~ rules pertaining to the production of native wines in this state be modified to permit Arkansas wineries to use various other sources of sugar that have been approved for wine production under applicable federal regulations.

SECTION 68. Arkansas Code § 3-5-602(a), concerning the rules about production and sale of native wines, is amended to read as follows:

(a) The Director of the Department of Finance and Administration is authorized to establish appropriate rules ~~and regulations~~, if he or she deems it advisable, to simplify the furnishing of information to the Department of Finance and Administration as required under the provisions of this subchapter.

SECTION 69. Arkansas Code § 3-5-603(b), concerning the bottling of native wines, is amended to read as follows:

(b) The ~~regulations~~ rules may also authorize the packaging of wines produced in two-fifths (2/5) of a pint or split size containers in the form of cluster sampler packages for sale in package form under such ~~regulations~~ rules as the board shall determine, for sale in this state or for export sale in other states.

SECTION 70. Arkansas Code § 3-5-605(b), concerning importing fruits and vegetables for the production of native wines, is amended to read as follows:

(b) The importation of fruits and vegetables and the use thereof in wine production shall be in accordance with reasonable rules ~~and regulations~~ promulgated by the Department of Finance and Administration to assure compliance with this subchapter and prevent abuse thereof.

SECTION 71. Arkansas Code § 3-5-606(e), concerning importing wines for blending, is amended to read as follows:

(e) The Department of Finance and Administration shall establish

appropriate rules ~~and regulations~~ for the reporting and collecting of the tax on imported wines used in such blends.

SECTION 72. Arkansas Code § 3-5-903 is amended to read as follows:

3-5-903. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration may establish reasonable rules ~~and regulations~~ to be followed by wineries in this state in making application for the subsidy payments and to prevent abuse of the subsidy payments.

SECTION 73. Arkansas Code § 3-5-905 is amended to read as follows:

3-5-905. Applications.

Any winery in this state that produces wine from grapes, fruits, berries, or vegetables grown in this state and complies with the provisions of § 3-5-904, that desires to receive the grants authorized in this subchapter with respect to the purchase of such products or with respect to such products produced in vineyards or of other growing facilities in this state belonging to the winery, may make application for grant payments under this subchapter upon forms and in accordance with the rules ~~and regulations~~ promulgated by the Director of the Department of Finance and Administration.

SECTION 74. Arkansas Code § 3-5-1005 is amended to read as follows:

3-5-1005. Applications.

Any winery in this state which produces wines from grapes, berries, fruits, or vegetables grown in this state, which desires to receive the subsidy authorized in this subchapter with respect to such purchases, may make application for the subsidy with the Department of Finance and Administration upon forms and in accordance with rules ~~and regulations~~ promulgated by the Director of the Department of Finance and Administration.

SECTION 75. Arkansas Code § 3-5-1201(a), concerning legislative determinations and intent regarding microbrewery-restaurants, is amended to read as follows:

(a) The General Assembly reaffirms the policy of this state of strict enforcement of laws and ~~regulations~~ rules applicable to the manufacture or sale of beer including, but not limited to, those establishing the three-tier

distribution system with prohibitions against ownership and employment interests between the three (3) tiers, or the “three-tier system”.

SECTION 76. The introductory language of Arkansas Code § 3-5-1202(3), concerning the definition of "beer, malt beverage, and hard cider law or regulation", is amended to read as follows:

(3) “Beer, malt beverage, and hard cider law or ~~regulation~~ rule” means any law of this state, or any ~~regulation~~ rule promulgated and adopted with respect thereto, that is:

SECTION 77. Arkansas Code § 3-5-1202(5), concerning the definition of "conflicting beer, malt beverage, or hard cider law or regulation", is amended to read as follows:

(5) “Conflicting beer, malt beverage, or hard cider law or ~~regulation~~ rule” means any beer, malt beverage, or hard cider law or ~~regulation~~ rule that prohibits or conflicts with the otherwise legal licensing and operation of microbrewery-restaurants, as authorized in this subchapter, by requiring any brewer to sell only to a licensed wholesaler, or requiring any licensed retailer to sell only beer, malt beverage, or hard cider purchased from a licensed wholesaler, or prohibiting any brewer or retailer from having any ownership or employment interest in the business of the other or the premises of the other, or requiring that the excise and enforcement tax on beer, malt beverage, or hard cider manufactured by a brewer be paid by a licensed wholesaler, or any beer, malt beverage, or hard cider law or ~~regulation~~ rule of similar direct or indirect effect;

SECTION 78. Arkansas Code § 3-5-1203 is amended to read as follows:

3-5-1203. Effect on other laws.

Every provision of this subchapter shall be subject to all beer, malt beverage, and hard cider laws and ~~regulations~~ rules, except that conflicting beer, malt beverage, and hard cider laws and ~~regulations~~ rules shall be inapplicable to any provision of this subchapter to the extent that they conflict herewith.

SECTION 79. Arkansas Code § 3-5-1205(2), concerning the effect on other laws, is amended to read as follows:

(2) Measure beer, malt beverages, and hard cider manufactured by the microbrewery, otherwise comply with applicable ~~regulations~~ rules respecting excise and enforcement tax determination of the beer, malt beverages, and hard cider, and pay any applicable bond or deposit and the amount of the state excise tax and enforcement tax to this state, but free from the fees and taxes provided in § 3-5-205, and as required by §§ 3-7-104 and 3-7-111; and

SECTION 80. Arkansas Code § 3-5-1208 is amended to read as follows:

3-5-1208. Rules ~~and regulations~~.

The Director of the Alcoholic Beverage Control Division and the Alcoholic Beverage Control Board and the Director of the Department of Finance and Administration, and any other applicable agency of this state, shall promulgate and adopt such ~~regulations~~ rules as they deem necessary for the implementation of this subchapter, which ~~regulations~~ rules may consist in whole or in part of the federal regulations.

SECTION 81. Arkansas Code § 3-5-1404 is amended to read as follows:

3-5-1404. Effect on other laws.

Every provision of this subchapter is subject to all beer, malt beverage, and hard cider laws and ~~regulations~~ rules not in conflict with the provisions of this subchapter.

SECTION 82. Arkansas Code § 3-5-1408(2), concerning fees and taxes of a small brewer, is amended to read as follows:

(2) Measure beer, malt beverages, and hard cider manufactured by the small brewer or purchased from a contract brewery, or otherwise comply with applicable ~~regulations~~ rules respecting excise and enforcement tax determination of the beer, malt beverages, and hard cider, and pay any applicable bond or deposit and the amount of the state excise tax and enforcement tax to this state as required, but is free from the fees and taxes provided in § 3-5-205 and as required by §§ 3-7-104 and 3-7-111; and

SECTION 83. Arkansas Code § 3-5-1507(a), concerning administrative rules for a temporary wine charitable auction license, is amended to read as follows:

(a) The Alcoholic Beverage Control Division shall adopt ~~regulations~~ rules governing the application, issuance, and use of a temporary wine charitable auction permit.

SECTION 84. Arkansas Code § 3-6-103 is amended to read as follows:

3-6-103. Administration by Alcoholic Beverage Control Division.

The Alcoholic Beverage Control Division or its successor shall have the right to regulate the manufacture and sale of the products authorized in § 3-6-102 and shall make reasonable rules ~~and regulations~~ governing the manufacture and sale thereof. Except as otherwise specifically provided in this chapter, all other laws now in effect governing the manufacture and sale of intoxicating liquors shall be deemed applicable.

SECTION 85. Arkansas Code § 3-7-106(a)(3) and (4), concerning shipping permits, are amended to read as follows:

(3) The permit shall be in such form as may be prescribed by the director, and all such shipments into the state shall be governed by such rules ~~and regulations~~ as may be promulgated by the director.

(4) However, the railroad or express company or river transportation company shall not be required to obtain any permit to transport distilled spirits but shall be subject to all rules ~~and regulations~~ promulgated by the director.

SECTION 86. Arkansas Code § 3-7-106(b)(1), concerning shipping permits, is amended to read as follows:

(b)(1) It shall be unlawful for any person who is permitted by law to manufacture, sell, or transport spirituous liquors, vinous liquors, wines other than Arkansas wines, or beer or malt beverages to transport or cause spirituous liquors, vinous liquors, wines other than Arkansas wines, or beer or malt beverages to be transported by any means of transportation except as may be prescribed by the rules ~~and regulations~~ of the director.

SECTION 87. Arkansas Code § 3-7-107(b), concerning enforcement, is amended to read as follows:

(b) The Director of the Alcoholic Beverage Control Division and the Director of the Department of Finance and Administration are authorized and

directed to issue permits as provided for in §§ 3-7-101 — 3-7-104 and 3-7-106 — 3-7-110, for the manufacture, sale, and transportation of distilled spirits and to enforce the license tax provisions of §§ 3-7-101 — 3-7-104 and 3-7-106 — 3-7-110 and the collection of the license taxes imposed hereby and to promulgate reasonable rules ~~and regulations~~ for those purposes.

SECTION 88. Arkansas Code § 3-7-201(d), concerning tax imposed and collection, is amended to read as follows:

(d) Returns shall be filed upon forms prescribed by the director in accordance with such ~~regulations~~ rules as the director may promulgate hereunder.

SECTION 89. Arkansas Code § 3-7-306 is amended to read as follows:

3-7-306. Right to contract.

To strengthen enforcement of this subchapter, the wholesalers, importers, manufacturers, and suppliers to whom this subchapter is applicable shall have the right to contract with each other to provide a distribution system best adapted, under proper ~~regulations~~ rules, to ensure payment of the taxes provided by law and to minimize the possibility of tax loss to this state.

SECTION 90. Arkansas Code § 3-7-307 is amended to read as follows:

3-7-307. Rules ~~and regulations~~ — Sales to the military.

The Director of the Department of Finance and Administration shall continue the present, and if necessary promulgate additional, rules ~~and regulations~~ to relieve wholesale distributors and importers from the liability of paying the excise tax levied and imposed on beverages covered by this subchapter which are sold to agencies of the United States Armed Forces.

SECTION 91. Arkansas Code § 3-7-401(a)-(c), concerning reports and payments of excise tax on beer, are amended to read as follows:

(a) The Director of the Alcoholic Beverage Control Division is authorized and directed to adopt and issue rules ~~and regulations~~ to protect the revenue of this state, prescribing a reporting method for paying and collecting the excise tax on beer.

(b) The rules ~~and regulations~~ shall require the reports to be filed

with the Alcoholic Beverage Control Division on or before the fifteenth day of the month following the month in which the wholesaler acquired possession of or title to the beer.

(c) The reports required by the ~~regulations~~ rules shall be in lieu of those provisions of § 3-7-106 relating to the necessity to obtain transportation permits for beer.

SECTION 92. Arkansas Code § 3-7-404 is amended to read as follows:

3-7-404. Rules ~~and regulations~~.

(a) The rules ~~and regulations~~ required by § 3-7-401 pertaining to a reporting method for paying and collecting excise tax on beer shall be adopted and promulgated by the Director of the Department of Finance and Administration.

(b) The rules ~~and regulations~~ shall be jointly enforced by both the Director of the Department of Finance and Administration and the Alcoholic Beverage Control Board.

(c) The Director of the Alcoholic Beverage Control Division shall have authority to promulgate rules ~~and regulations~~ pertaining to the possession, transportation, or importation of beer into the State of Arkansas.

(d) The express purpose of this section is to carry out the intention of §§ 3-7-401 — 3-7-403 to provide authority for protecting the state against loss of revenues derived from the levy of the excise tax on beer. The Director of the Department of Finance and Administration shall have full authority to adopt whatever rules ~~and regulations~~ he or she may deem necessary to this end.

SECTION 93. Arkansas Code § 3-7-501 is amended to read as follows:

3-7-501. Rules ~~and regulations~~ generally.

(a) The Director of the Department of Finance and Administration is authorized and directed to adopt and issue rules ~~and regulations~~ to protect the revenues of this state by prescribing a reporting method for paying and collecting the tax on wines.

(b) ~~Regulations~~ Rules shall provide a method of tax credit for wines sold to United States military installations or returned to the manufacturer, on which excise taxes are not required.

(c) There will be no change in the present system of reporting the tax

on native Arkansas wines.

SECTION 94. Arkansas Code § 3-7-502 is amended to read as follows:

3-7-502. Reports and payment.

The rules ~~and regulations~~ shall require reports to be filed with the Director of the Department of Finance and Administration on or before the fifteenth day of the month following the month in which the wholesaler or importer of wines shall obtain delivery of wines from the supplier. The tax due shall accompany this report.

SECTION 95. Arkansas Code § 3-9-101(c), concerning the prohibition of nudity on premises, is amended to read as follows:

(c) The Alcoholic Beverage Control Board shall promulgate such ~~regulations~~ rules as it deems necessary for the implementation of this section.

SECTION 96. Arkansas Code § 3-9-202(16)(A)(iii)(c), concerning the definition of "restaurant", is amended to read as follows:

(c) Comply with the ~~regulations~~ rules of the Department of Health.

SECTION 97. Arkansas Code § 3-9-202(16)(B)(ii)(d), concerning the definition of "restaurant", is amended to read as follows:

(d) The board shall promulgate such ~~regulations~~ rules as it deems necessary to implement subdivisions (16)(B)(ii)(a)-(c) of this section.

SECTION 98. Arkansas Code § 3-9-205(a), concerning rules and the police power of state and local governments, is amended to read as follows:

(a) The Alcoholic Beverage Control Board is authorized to adopt and enforce reasonable rules ~~and regulations~~ governing the qualifications for permits hereunder, the operation of licensed premises, and otherwise implementing and effectuating the provisions and purposes of this subchapter and, in so doing, shall be guided, insofar as pertinent, by rules ~~and regulations~~ now or hereafter applicable to retail liquor outlets.

SECTION 99. Arkansas Code § 3-9-210(a)(1), concerning the issuance of a permit to sell beverages, is amended to read as follows:

(a)(1) Any hotel or restaurant as defined in § 3-9-202 desiring to sell alcoholic beverages for on-premises consumption shall make application to the Director of the Alcoholic Beverage Control Division for a permit upon forms prescribed and furnished by the director and in accordance with the rules ~~and regulations~~ of the Alcoholic Beverage Control Board.

SECTION 100. Arkansas Code § 3-9-213(c)(1), concerning gross receipts and supplemental taxes on the sale of alcoholic beverages, is amended to read as follows:

(c)(1) The supplemental tax shall be reported and paid to the Director of the Department of Finance and Administration in the same manner and at the same time as the gross receipts tax and shall be subject to such reasonable rules ~~and regulations~~ as the director may prescribe, including the maintenance of permanent records showing all purchases and sales of alcoholic beverages.

SECTION 101. Arkansas Code § 3-9-221(b)(2)(C), concerning the private club exception from alcoholic beverage laws, is amended to read as follows:

(C) The director may promulgate ~~regulations~~ rules he or she deems necessary to implement this subdivision (b)(2).

SECTION 102. Arkansas Code § 3-9-223(d), concerning private club permit renewal fees and taxes, is amended to read as follows:

(d) The director shall promulgate reasonable rules ~~and regulations~~ for the enforcement and collection of the tax levied herein, including a requirement that each permittee maintain records showing all such charges made.

SECTION 103. Arkansas Code § 3-9-225 is amended to read as follows:

3-9-225. Private clubs — Rules ~~and regulations~~.

The Alcoholic Beverage Control Board is authorized and directed to establish rules ~~and regulations~~ with respect to permits issued under the provisions of § 3-9-222 to assure compliance with the provisions hereof and to prohibit any permittee from engaging in the unlawful sale of alcoholic

beverages.

SECTION 104. Arkansas Code § 3-9-233(a), concerning closing hours, is amended to read as follows:

(a) The ~~regulations~~ rules of the Alcoholic Beverage Control Board and existing laws with respect to the closing hours of licensed premises under this subchapter shall be applicable to all such licensed premises in the state, except that:

(1) The governing body of a city in which hotel and restaurant licensed premises are located may fix by ordinance later closing hours for such hotel and restaurant licensed premises than are prescribed by state law or ~~regulations~~ rules of the board for licensed premises generally. In that case, the closing hours for such hotel and restaurant licensed premises as provided by ordinance of the governing body of the city shall govern with respect to the licensed premises in the city; and

(2) In any county of this state having a population of not less than fifty-three thousand (53,000) and not more than fifty-eight thousand (58,000) in which hotel and restaurant licensed premises are located outside the corporate limits of any municipality, the county court of the county may fix by order of the court later closing hours for the hotel and restaurant licensed premises than are prescribed by state law or ~~regulations~~ rules of the board for licensed premises generally. In that case, the closing hours for the hotel and restaurant licensed premises located in the county outside of municipal limits shall be governed by the order of the county court.

SECTION 105. Arkansas Code § 3-9-301(6)(C)(iii), concerning the definition of "restaurant", is amended to read as follows:

(iii) Comply with the ~~regulations~~ rules of the Department of Health.

SECTION 106. Arkansas Code § 3-9-301(6)(D)(1), concerning the definition of "restaurant" is amended to read as follows:

(D)(i) The Alcoholic Beverage Control Board is authorized and directed to establish appropriate rules ~~and regulations~~ defining “established eating places” to the extent that licenses granted under the provisions of this subchapter shall be issued only to those business

establishments whose principal business is serving food for consumption on the premises.

SECTION 107. Arkansas Code § 3-9-305(a)(7), concerning license applications and qualifications, is amended to read as follows:

(7) The cafe or restaurant making application for the license is primarily engaged in the business of serving foods to the public prepared for consumption on the premises and must be an established eating place within the rules ~~and regulations~~ promulgated by the Alcoholic Beverage Control Board as provided in § 3-9-301(6).

SECTION 108. Arkansas Code § 4-9-201(b)-(d), concerning the general effectiveness of a security agreement, are amended to read as follows:

(b) A transaction subject to this chapter is subject to any applicable rule of law which establishes a different rule for consumers; to any other statute or ~~regulation~~ rule of this state that regulates the rates, charges, agreements, and practices for loans, credit sales, or other extensions of credit; to rights for workers' compensation as provided in § 11-9-110(a); and to any consumer-protection statute or ~~regulation~~ rule of this State.

(c) In case of conflict between this chapter and a rule of law, statute, or ~~regulation~~ rule described in subsection (b), the rule of law, statute, or ~~regulation~~ rule controls. Failure to comply with a statute or ~~regulation~~ rule described in subsection (b) has only the effect the statute or ~~regulation~~ rule specifies.

(d) This chapter does not:

(1) validate any rate, charge, agreement, or practice that violates a rule of law, statute, or ~~regulation~~ rule described in subsection (b); or

(2) extend the application of the rule of law, statute, or ~~regulation~~ rule to a transaction not otherwise subject to it.

SECTION 109. Arkansas Code § 4-28-103(d)(1)(A), concerning status of nonprofit entities as statutory life insurance beneficiaries, is amended to read as follows:

(d)(1)(A) Notwithstanding any other law or ~~regulation~~ rule to the contrary, any religious, educational, charitable, or benevolent institution,

organization, corporation, association, or trust, including, but not limited to, charitable remainder trusts, may be named beneficiary or owner, or both, of the policy or contract by any applicant for insurance upon his or her own life in any policy of life insurance issued by any life insurance company authorized to do business in this state or in the state of domicile of the applicant for insurance.

SECTION 110. Arkansas Code § 4-28-217(a), concerning regulations by state agencies applicable under the Arkansas Nonprofit Corporation Act, is amended to read as follows:

4-28-217. ~~Regulations~~ Rules by state agencies applicable.

(a) If any nonprofit corporation established under the Arkansas Nonprofit Corporation Act, §§ 4-28-201 — 4-28-206 and 4-28-209 — 4-28-224, engages in any activity controlled or regulated by any officer, agency, or department of this state, the activity shall be conducted in compliance with the laws and such rules ~~and regulations~~ as may be promulgated by the officer, agency, or department.

SECTION 111. Arkansas Code § 4-28-222(6), concerning involuntary dissolution of a corporation incorporated under the provisions of the Arkansas Nonprofit Corporation Act, is amended to read as follows:

(6) The corporation has violated the laws of this state or the rules ~~and regulations~~ of any state regulatory board or commission having jurisdiction of any activity of the corporation.

SECTION 112. Arkansas Code § 4-29-209 is amended to read as follows:

4-29-209. Employees.

Each individual employee licensed pursuant to the laws of this state to engage in his or her profession who is employed by a corporation subject to this subchapter shall remain subject to reprimand or discipline for his or her conduct under the provisions of the laws or ~~regulations~~ rules governing or applicable to his or her profession.

SECTION 113. Arkansas Code § 4-29-210(c)(2), concerning the issuance and renewal of a certificate of registration under the Arkansas Professional Corporation Act, is amended to read as follows:

(2) If it finds that the incorporators, officers, directors, and shareholders are each licensed pursuant to the laws of Arkansas to engage in the particular profession involved, and if no disciplinary action is pending before it against any of them, and if it appears that the corporation will be conducted in compliance with the law and the ~~regulations~~ rules of the board, department, or agency, it shall issue, upon payment of a registration fee of twenty-five dollars ($25.00), a certificate of registration which shall remain effective until January 1 following the date of the registration.

SECTION 114. Arkansas Code § 4-29-210(d), concerning the issuance and renewal of a certificate of registration under the Arkansas Professional Corporation Act, is amended to read as follows:

(d) Upon written application of the holder, accompanied by a fee of ten dollars ($10.00), the board, department, or agency which originally issued the certificate of registration shall annually renew the certificate of registration if it finds that the corporation has complied with its ~~regulations~~ rules and the provisions of this subchapter.

SECTION 115. Arkansas Code § 4-29-210(f), concerning the issuance and renewal of a certificate of registration under the Arkansas Professional Corporation Act, is amended to read as follows:

(f) In the event of a change of location of the registered establishment, the board, department, or agency, in accordance with its ~~regulations~~ rules, shall amend the certificate of registration so that it shall apply to the new location.

SECTION 116. Arkansas Code § 4-29-211(a)(4), concerning the suspension or revocation of a certificate of registration under the Arkansas Professional Corporation Act, is amended to read as follows:

(4) Upon finding that the holder of a certificate has failed to comply with the provisions of this subchapter or the ~~regulations~~ rules prescribed by the state board, department, or agency that issued it.

SECTION 117. Arkansas Code § 4-29-309(d), concerning the issuance and renewal of a certificate of registration under the Medical Corporation Act, is amended to read as follows:

(d) Upon written application of the holder, accompanied by a fee of ten dollars ($10.00), the board shall annually renew the certificate of registration if the board finds that the corporation has complied with its ~~regulations~~ rules and the provisions of this subchapter.

SECTION 118. Arkansas Code § 4-29-309(f), concerning the issuance and renewal of a certificate of registration under the Medical Corporation Act, is amended to read as follows:

(f) In the event of a change of location of the registered establishment, the board, in accordance with its ~~regulations~~ rules, shall amend the certificate of registration so that it shall apply to the new location.

SECTION 119. Arkansas Code § 4-29-310(a)(4), concerning the suspension or revocation of a certificate of registration under the Medical Corporation Act, is amended to read as follows:

(4) Upon finding that the holder of a certificate has failed to comply with the provisions of this subchapter or the ~~regulations~~ rules prescribed by the board.

SECTION 120. Arkansas Code § 4-29-408(c)(2), concerning the issuance and renewal of a certificate of registration under the Dental Corporation Act, is amended to read as follows:

(2) If the board finds that the incorporators, officers, directors, and shareholders are each licensed pursuant to the Arkansas Dental Practice Act, § 17-82-101 et seq., and if no disciplinary action is pending before the board against any of them, and if it appears that the corporation will be conducted in compliance with law and the ~~regulations~~ rules of the board, the board shall issue upon payment of a registration fee of twenty-five dollars ($25.00) a certificate of registration which shall remain effective until January 1 following the date of the registration.

SECTION 121. Arkansas Code § 4-29-408(d), concerning the issuance and renewal of a certificate of registration under the Dental Corporation Act, is amended to read as follows:

(d) Upon written application of the holder, accompanied by a fee of

ten dollars ($10.00), the board shall annually renew the certificate of registration if the board finds that the corporation has complied with its ~~regulations~~ rules and the provisions of this subchapter.

SECTION 122. Arkansas Code § 4-29-408(f), concerning the issuance and renewal of a certificate of registration under the Dental Corporation Act, is amended to read as follows:

(f) In the event of a change of location of the registered establishment, the board, in accordance with its ~~regulations~~ rules, shall amend the certificate of registration so that it shall apply to the new location.

SECTION 123. Arkansas Code § 4-29-409(a)(4), concerning the suspension or revocation of a certificate of registration under the Dental Corporation Act, is amended to read as follows:

(4) Upon finding that the holder of a certificate has failed to comply with the provisions of this subchapter or the ~~regulations~~ rules prescribed by the board.

SECTION 124. Arkansas Code § 4-30-207(a), concerning penalty exceptions for banks declared investment companies, is amended to read as follows:

(a) Every cooperative bank organized under this chapter prior to March 22, 1937, which is not situated in a city, town, or community in which there is also situated a state or national bank or a teller's window branch thereof is declared to be an investment company and shall be placed under the regulation and supervision of the State Securities Department, in the same manner as now provided by law for other investment companies. The Securities Commissioner is authorized, empowered, and directed to make and promulgate all such rules ~~and regulations~~ not inconsistent herewith as shall be necessary or convenient for the administration and carrying out of this subchapter and for the supervision and control of all such organizations.

SECTION 125. Arkansas Code § 4-32-802(a)(4)(D), concerning events of dissociation from a limited liability company, is amended to read as follows:

(D) Files a petition or answer seeking for the member any

reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or ~~regulation~~ rule;

SECTION 126. Arkansas Code § 4-32-802(a)(5)(A), concerning events of dissociation from a limited liability company, is amended to read as follows:

(A) Within one hundred twenty (120) days after the commencement of any proceeding against the member seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or ~~regulation~~ rule, the proceeding has not been dismissed; or

SECTION 127. Arkansas Code § 4-71-210(a), concerning classification of goods and services for registration and protection of trademarks and labels, is amended to read as follows:

(a) The Secretary of State shall by ~~regulation~~ rule establish a classification of goods and services for convenience of administration of this subchapter, but not to limit or extend the applicant's or registrant's rights, and a single application for registration of a mark may include any or all goods upon which, or services with which, the mark is actually being used indicating the appropriate class or classes of goods or services.

SECTION 128. Arkansas Code § 4-71-217(a), concerning fees of the Secretary of State for the registration and protection of trademarks and labels, is amended to read as follows:

(a) The Secretary of State shall by ~~regulation~~ rule prescribe the fees payable for the various applications and recording fees and for related services.

SECTION 129. Arkansas Code § 4-88-105(d)(5), concerning the Consumer Protection Division within the office of the Attorney General, is amended to read as follows:

(5) To investigate violations of laws enacted and rules ~~and regulations~~ promulgated for the purpose of consumer protection, and to study the operation of such laws~~,~~ and rules~~, and regulations~~ and to recommend to the General Assembly needed changes in law in the consumer's interest; and

SECTION 130. Arkansas Code § 4-88-304(a)(1), concerning penalties, remedies and enforcement of rules protecting consumers from price gouging and unfair pricing practices during and after a state of emergency, is amended to read as follows:

(a)(1) When a person violates this subchapter or a ~~regulation~~ rule prescribed under this subchapter, the violation shall constitute an unfair or deceptive act or practice as defined by this chapter.

SECTION 131. Arkansas Code § 4-88-403(a), concerning penalties, remedies and enforcement for "slamming" in the telecommunications industry under the Deceptive Trade Practices Act, is amended to read as follows:

(a) When a person violates this subchapter or a ~~regulation~~ rule prescribed under this subchapter, the violation shall constitute an unfair or deceptive act or practice as defined by the Deceptive Trade Practices Act, § 4-88-101 et seq.

SECTION 132. Arkansas Code § 4-90-201 is amended to read as follows:

4-90-201. Legislative intent and purpose.

The General Assembly recognizes that a motor vehicle is a major consumer acquisition and that buyers of motor vehicles rely heavily on the odometer reading as an index of the condition and value of a vehicle. The General Assembly further recognizes that buyers are entitled to rely on the odometer reading as an accurate indication of the mileage of the motor vehicle and that an accurate indication of the mileage assists a buyer in deciding on the safety and reliability of the vehicle. The purposes of this subchapter are to prohibit tampering with motor vehicle odometers and to provide safeguards to protect purchasers in the sale of motor vehicles with altered or reset odometers. It is the intent of the General Assembly that this subchapter incorporate certain provisions of newly codified federal law to supplement existing Arkansas law. To that end, any state rule or federal rule or regulation in effect under a law replaced by this subchapter continues in effect under the corresponding provision enacted by this subchapter until repealed, amended, or superseded. In addition, where no substantive change in law has occurred, an action taken or an offense committed under a law replaced by a section of this subchapter is deemed to have been taken or committed under the corresponding provision enacted by

this subchapter.

SECTION 133. Arkansas Code § 4-90-203(a)(1)(A), concerning penalties and enforcement for violations of odometer regulations under the Deceptive Trade Practices Act, is amended to read as follows:

(a)(1)(A) When a person violates this subchapter or a ~~regulation~~ rule prescribed under this subchapter, the violation shall constitute an unfair or deceptive act or practice as defined by the Deceptive Trade Practices Act, § 4-88-101 et seq.

SECTION 134. Arkansas Code § 4-90-203(b)(2), concerning penalties and enforcement for violations of odometer regulations under the Deceptive Trade Practices Act, is amended to read as follows:

(2) If the person is a corporation, the penalties of this subsection also apply to a director, officer, or individual agent of a corporation who knowingly and willfully authorizes, orders, or performs an act in violation of this subchapter or a ~~regulation~~ rule prescribed or order issued under this subchapter, without regard to penalties imposed on the corporation.

SECTION 135. Arkansas Code § 4-90-206(a)(2), concerning disclosure requirements on the transfer of a motor vehicle, is amended to read as follows:

(2) A person making a written disclosure required by a ~~regulation~~ rule prescribed under subdivision (a)(1) of this section may not make a false statement in the disclosure.

SECTION 136. Arkansas Code § 4-90-207(a)(1), concerning civil actions by private persons for violations of the odometer regulations under the Deceptive Trade Practices Act, is amended to read as follows:

(a)(1) A person who violates this subchapter or a ~~regulation~~ rule prescribed under this subchapter with intent to defraud is liable for three (3) times the actual damages or one thousand five hundred dollars ($1,500), whichever is greater.

SECTION 137. Arkansas Code § 4-90-510(b), concerning investigations

and enforcement of motor vehicle service contracts and theft protection programs, is amended to read as follows:

(b) The commissioner shall have and may exercise all of the powers conferred by §§ 23-61-103, 23-61-108 — 23-61-110, 23-61-201(a)(1), 23-61-203 — 23-61-206, and 23-61-301 et seq. in the conduct of such investigations and in the enforcement of this subchapter and any rules ~~and regulations~~ promulgated by the commissioner.

SECTION 138. Arkansas Code § 4-97-106 is amended to read as follows:

4-97-106. Public health — Enforcement.

The State Board of Health may propose, adopt, promulgate, and enforce, in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., such additional rules~~, regulations,~~ and standards as may be necessary to carry out the intent of this chapter.

SECTION 139. Arkansas Code § 4-97-107(d), concerning the unlawful disposition of animals, is amended to read as follows:

(d) A violation of this chapter or a ~~regulation~~ rule promulgated hereunder shall constitute a Class A misdemeanor.

SECTION 140. Arkansas Code § 4-99-105(10)(E), concerning filing information for regulation of telephonic sellers, is amended to read as follows:

(E) All state rules, federal rules or regulations, terms, and conditions a prospective purchaser must meet in order to receive the item; and

SECTION 141. Arkansas Code § 4-99-108(a)(3), concerning information to be provided each prospective purchaser by a telephonic seller, is amended to read as follows:

(3) All state rules, federal rules or regulations, terms, and conditions a prospective purchaser must meet in order to receive the item;

SECTION 142. Arkansas Code § 4-99-303(a), concerning penalties, remedies and enforcement for violations of caller identification blocking by telephonic sellers as an unfair or deceptive act or practice, is amended to

read as follows:

(a) When a person violates this subchapter or a ~~regulation~~ rule prescribed under this subchapter, the violation shall constitute an unfair or deceptive act or practice as defined in § 4-88-101 et seq. pertaining to deceptive trade practices.

SECTION 143. Arkansas Code § 4-108-202(a), concerning the scope of the uniform requirements for engine fuels, petroleum products and automotive lubricants, is amended to read as follows:

(a) This subchapter establishes a sampling, testing, and enforcement program, requires registration of engine fuels, and empowers the state to promulgate ~~regulations~~ rules as needed to carry out the provisions of this subchapter.

SECTION 144. Arkansas Code § 4-108-204(b)(2), concerning the adoption of standards and administration of quality specifications for fuel and lubricants, is amended to read as follows:

(2) The board is empowered to write rules ~~and regulations~~ on the advertising, posting of prices, labeling, standards for, and identity of fuels, petroleum products, and automotive lubricants and is authorized to establish a testing laboratory.

SECTION 145. Arkansas Code § 4-108-209 is amended to read as follows:

4-108-209. Criminal penalties.

Any person who intentionally violates any provision of this subchapter or ~~regulations~~ rules promulgated thereto shall be guilty of a Class A misdemeanor.

SECTION 146. Arkansas Code § 4-108-212 is amended to read as follows:

4-108-212. ~~Regulations~~ Rules.

(a) The State Plant Board may by ~~regulation~~ rule adopted pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq., adopt as a ~~regulation~~ rule of the Arkansas Bureau of Standards specifications, tolerances, and regulations for engine fuels, petroleum products and automotive lubricants set out in National Institute of Standards and Technology Handbook 130, or in any similar publication issued by the National

Institute of Standards and Technology.

(b) In drafting the ~~regulations~~ rules, the bureau shall consider whether the specifications, tolerances, and regulations published by the National Institute of Standards and Technology are consistent with the needs of Arkansas businesses and consumers and may modify, amend, or delete suggested language found in the National Institute of Standards and Technology handbooks.

SECTION 147. Arkansas Code § 4-108-213 is amended to read as follows:

4-108-213. ~~Regulations~~ Rules to be unaffected by repeal of prior enabling statute.

The adoption of this subchapter or any of its provisions shall not affect any ~~regulations~~ rules promulgated pursuant to the authority of any earlier enabling statute unless inconsistent with this subchapter or modified or revoked by the State Plant Board.

SECTION 148. Arkansas Code § 5-1-109(b)(3)(B)(ii), concerning the statute of limitations under the Arkansas Criminal Code, is amended to read as follows:

(ii) For a nine-point or greater violation of an Arkansas State Game and Fish Commission regulation or rule, the period of limitation is three (3) years; and

SECTION 149. Arkansas Code § 5-28-101(11)(B)(iv), concerning the definition of "neglect" in the case of the abuse of adults, is amended to read as follows:

(iv) Provide a good or service necessary to avoid physical harm, mental anguish, or mental illness as defined in ~~regulations~~ rules promulgated by the Office of Long-Term Care of the Division of Medical Services of the Department of Human Services to an adult long-term care facility resident;

SECTION 150. Arkansas Code § 5-54-101(11)(A), concerning the definition of "prohibited article" as related to obstructing governmental operations, is amended to read as follows:

(A) An intoxicating beverage other than sacramental wine

labeled as sacramental wine and supplied by a religious official who supplies the sacramental wine to an inmate in the Department of Correction or Department of Community Correction for the sole purpose of an approved religious service, pursuant to rules ~~and regulations~~ promulgated by the Board of Corrections;

SECTION 151. Arkansas Code § 5-54-119(b)(2), concerning furnishing, possessing, or using prohibited articles in a correctional facility, the Arkansas State Hospital, or a youth services program, is amended to read as follows:

(2) This section does not apply to a religious official who supplies sacramental wine labeled as sacramental wine to an inmate in the Department of Correction for the sole purpose of an approved religious service, pursuant to rules ~~and regulations~~ promulgated by the Board of Corrections.

SECTION 152. Arkansas Code § 5-55-111(10), concerning criminal acts constituting Medicaid fraud, is amended to read as follows:

(10) Purposely makes or causes to be made any false statement or representation of a material fact in any application for a benefit or payment in violation of the rules~~, regulations,~~ and provider agreements issued by the Arkansas Medicaid Program or its fiscal agents;

SECTION 153. Arkansas Code § 5-55-201(a) and (b), concerning traffic in illegal food coupons or vouchers, are amended to read as follows:

(a)(1) Any individual, partnership, corporation, or other legal entity that issues food coupons in a manner not authorized by federal law and regulations or state law and ~~regulations~~ rules or that uses, transfers, acquires, possesses, or presents any food coupons for payment not authorized by federal and state law or federal regulations and state ~~regulations~~ rules is guilty of a Class D felony.

(2) However, if the food coupons are of a value of less than one hundred dollars ($100), the individual, partnership, corporation, or other legal entity is guilty of a Class A misdemeanor.

(b) Any individual, partnership, corporation, or other legal entity that issues a voucher used in the federal Special Supplemental Nutrition

Program for Women, Infants and Children (WIC) in a manner not authorized by federal law and regulations or state law and ~~regulations~~ rules or that uses, transfers, acquires, possesses, or presents any voucher used in the federal Special Supplemental Nutrition Program for Women, Infants and Children (WIC) for payment not authorized by federal and state law or federal regulations and state ~~regulations~~ rules is guilty of a Class A misdemeanor.

SECTION 154. Arkansas Code § 5-55-202 is amended to read as follows:

5-55-202. Illegal use, transfer, acquisition, or possession of vouchers.

Any person who knowingly uses, transfers, acquires, or possesses vouchers in any manner not authorized by the federal Special Supplemental Nutrition Program for Women, Infants and Children (WIC) authorized by the Child Nutrition Act of 1966, 42 U.S.C. § 1771 et seq., as amended, or federal regulations and state ~~regulations~~ rules issued pursuant to the Child Nutrition Act of 1966, 42 U.S.C. § 1771 et seq., if the vouchers are of a value of less than one hundred dollars ($100), is guilty of a Class A misdemeanor.

SECTION 155. Arkansas Code § 5-55-203 is amended to read as follows:

5-55-203. Illegal presentation of food coupons or vouchers for payment.

(a)(1) Any person who presents or causes to be presented food coupons for payment or redemption of the value of one hundred dollars ($100) or more knowing the food coupons to have been received, transferred, or used in any manner in violation of a provision of the Food Stamp Act of 1977, 7 U.S.C. § 2011 et seq., or the federal regulations or state ~~regulations~~ rules issued pursuant to the Food Stamp Act of 1977, 7 U.S.C. § 2011 et seq., is guilty of a Class D felony.

(2) However, if the food coupons are of a value of less than one hundred dollars ($100), the person is guilty of a Class A misdemeanor.

(b) Any person who presents or causes to be presented vouchers for payment or redemption of the value of one hundred dollars ($100) or more knowing the vouchers to have been received, transferred, or used in any manner in violation of a provision of the federal Special Supplemental Nutrition Program for Women, Infants and Children (WIC) authorized by the

Child Nutrition Act of 1966, 42 U.S.C. § 1771 et seq., as amended, or the federal regulations or state ~~regulations~~ rules issued pursuant to the Child Nutrition Act of 1966, 42 U.S.C. § 1771 et seq., is guilty of a Class A misdemeanor.

SECTION 156. Arkansas Code § 5-62-105(a)(9), concerning exemptions from criminal offenses against public health, safety or welfare related to animals, is amended to read as follows:

(9) Engaging in the taking of game or fish through hunting, trapping, or fishing, or engaging in any other activity authorized by Arkansas Constitution, Amendment 35, by § 15-41-101 et seq., or by any Arkansas State Game and Fish Commission regulation or rule promulgated under either Arkansas Constitution, Amendment 35, or statute;

SECTION 157. Arkansas Code § 5-64-415(a)(1), concerning the definition of "drug precursor" under the Uniform Controlled Substances Act, is amended to read as follows:

(1) “Drug precursor” means any substance, material, compound, mixture, or preparation listed in rules ~~and regulations~~ promulgated or adopted pursuant to this section or any of their salts or isomers.

SECTION 158. Arkansas Code § 5-64-415(b)(1)(A), concerning the authority to control drug precursors under the Uniform Controlled Substances Act, is amended to read as follows:

(b) Authority to Control Drug Precursors by Rule ~~and Regulation~~.

(1)(A) The Department of Health shall promulgate by rule ~~and regulation~~ a list of drug precursors, comprised of any substance, material, compound, mixture, or preparation or any of their salts or isomers that are drug precursors.

SECTION 159. Arkansas Code § 5-64-415(c)(1)(A), concerning the authority to control drug precursors under the Uniform Controlled Substances Act, is amended to read as follows:

(1)(A) The Department of Health may promulgate ~~regulations~~ rules and charge reasonable fees of not more than twenty-five dollars ($25.00) relating to the licensing and control of the manufacture, possession,

transfer, and transportation of a drug precursor.

SECTION 160. Arkansas Code § 5-64-415(d), concerning the authority to control drug precursors under the Uniform Controlled Substances Act, is amended to read as follows:

(d) Waiver. The Department of Health may waive by ~~regulation~~ rule the requirement for licensing of certain manufacturers if the waiver is consistent with the public health and safety.

SECTION 161. Arkansas Code § 5-64-415(g)(1)(G), concerning the authority to control drug precursors under the Uniform Controlled Substances Act, is amended to read as follows:

(G) Manufacture, possess, transfer, or transport a drug precursor without the appropriate license or in violation of any rule ~~or regulation~~ of the Department of Health.

SECTION 162. Arkansas Code § 5-64-415(i)(3), concerning the authority to control drug precursors under the Uniform Controlled Substances Act, is amended to read as follows:

(3) Any manufacturer, wholesaler, retailer, or other person subject to any other reporting requirement in this section that receives from a source outside of this state any drug precursor specified in rules ~~and regulations~~ promulgated pursuant to this section shall submit a report of the transaction to the Department of Health in accordance with rules adopted by the Department of Health.

SECTION 163. Arkansas Code § 5-64-415(k), concerning the authority to control drug precursors under the Uniform Controlled Substances Act, is amended to read as follows:

(k) In addition to rules ~~and regulations~~ authorized by a provision of this section, the Department of Health may promulgate necessary rules ~~and regulations~~ to carry out the provisions of this section.

SECTION 164. Arkansas Code § 5-64-505(f)(6), concerning the disposition of property subject to forfeiture under the Uniform Controlled Substances Act, is amended to read as follows:

(6) The Arkansas Drug Director shall establish through rules ~~and regulations~~ a standardized confiscation report form to be used by all law enforcement agencies with specific instructions and guidelines concerning the nature and dollar value of all property, including firearms, to be included in the confiscation report and forwarded to the office of the local prosecuting attorney and the Arkansas Drug Director under this subsection.

SECTION 165. Arkansas Code § 5-64-505(i)(3)(D)(i), concerning the disposition of property subject to forfeiture under the Uniform Controlled Substances Act, is amended to read as follows:

(D)(i) The Arkansas Drug Director shall establish through rules ~~and regulations~~ a procedure for proper investment, use, and disposition of state moneys deposited into the Special State Assets Forfeiture Fund in accordance with the intent and purposes of this chapter.

SECTION 166. Arkansas Code § 5-64-702 is amended to read as follows:

5-64-702. Promulgation of rules ~~and regulations~~.

(a) The Department of Health may promulgate rules ~~and regulations~~ necessary for the enforcement of this chapter.

(b) The rules ~~and regulations~~ described in subsection (a) of this section shall be promulgated pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 167. Arkansas Code § 5-64-1301 is amended to read as follows:

5-64-1301. Possession of anhydrous ammonia in unlawful container.

Any person who knowingly possesses anhydrous ammonia in a container that does not comply with the ~~regulations~~ rules of the Boiler Inspection Division of the Department of Labor for the containment of anhydrous ammonia is guilty of a Class B felony.

SECTION 168. Arkansas Code § 5-65-201 is amended to read as follows:

5-65-201. Rules ~~and regulations~~.

The Department of Health may promulgate rules ~~and regulations~~ reasonably necessary to carry out the purposes of this subchapter.

SECTION 169. Arkansas Code § 5-67-104(a), concerning violation of

posted bridge prohibitions, is amended to read as follows:

(a) It is unlawful for any person owning or operating a motor vehicle that in any way exceeds or violates any properly posted limitation, regulation, rule, or restriction governing the use of a bridge structure to use the bridge structure so long as the use violates any posted prohibition.

SECTION 170. Arkansas Code § 5-69-103(a)(2), concerning criminal offenses related to pipelines and pipeline facilities, is amended to read as follows:

(2) An order, safety standard, or rule~~, or regulation~~ of the Arkansas Public Service Commission pursuant to § 23-15-205;

SECTION 171. Arkansas Code § 5-73-130(c)(2), concerning the disposition, seizure, and forfeiture of a firearm or motor vehicle, is amended to read as follows:

(2) A regulation or rule of the Arkansas State Game and Fish Commission.

SECTION 172. Arkansas Code § 5-73-317 is amended to read as follows:

5-73-317. Rules ~~and regulations~~.

The Director of the Department of Arkansas State Police may promulgate rules ~~and regulations~~ to permit the efficient administration of this subchapter.

SECTION 173. Arkansas Code § 5-73-319(b), concerning the transfer of a license to carry a concealed handgun to Arkansas, is amended to read as follows:

(b) After July 31, 2007, the newly transferred license is valid for a period of five (5) years from the date of issuance and binds the holder to all Arkansas laws and ~~regulations~~ rules regarding the carrying of the concealed handgun.

SECTION 174. Arkansas Code § 5-75-107(c)(1), concerning blood alcohol testing devices, is amended to read as follows:

(c)(1) The State Board of Health may adopt appropriate rules ~~and~~

~~regulations~~ to carry out the intent and purposes of this section, and only an instrument approved by the board as meeting the requirements of this section and the ~~regulations~~ rules of the board shall be used for making a breath analysis for determining breath alcohol concentration.

SECTION 175. Arkansas Code § 5-77-203 is amended to read as follows:

5-77-203. ~~Regulations~~ Rules.

The Department of ~~the~~ Arkansas State Police shall promulgate ~~regulations~~ rules to implement this subchapter, including ~~regulations~~ rules that define the type of identification necessary to legally demonstrate that a person is a law enforcement officer or a county coroner.

SECTION 176. Arkansas Code § 6-3-105(d)(1), concerning the powers and duties of the Arkansas Educational Television Commission, is amended to read as follows:

(d)(1) The Arkansas Educational Television Commission may designate the location of stations to utilize such channels and make rules ~~and regulations~~ governing the operation of these stations and the programs televised over these channels.

SECTION 177. Arkansas Code § 6-3-112(d), concerning authorization for lease of facilities of the Arkansas Educational Television Commission, is amended to read as follows:

(d) The commission is authorized to promulgate such ~~regulations~~ rules as it deems necessary for the implementation of this section.

SECTION 178. Arkansas Code § 6-10-108(d)(1), concerning the definition of a "twelve-month school year" under the elementary and secondary education school laws, is amended to read as follows:

(d)(1) The State Board of Education is authorized to establish appropriate standards, guidelines, and rules~~, and regulations~~ for the determination of average daily membership of school districts and for the distribution of state foundation funding and other forms of state aid and financial assistance to each local school district that elects to operate the public schools of the school district on a twelve-month basis, in order to provide the school district with an equitable share of the state foundation

funds designated to equate a twelve-month school operation by the school district to the educational opportunities provided by a school district offering nine (9) months of public school instruction.

SECTION 179. Arkansas Code § 6-10-110(c), concerning the Department of Education fire marshal program under the elementary and secondary education school laws, is amended to read as follows:

(c) The State Board of Education shall promulgate reasonable and necessary rules ~~and regulations~~ for the establishment of minimum requirements to be met by the various school districts of this state for a school fire marshal program.

SECTION 180. Arkansas Code § 6-10-111(f), concerning the equity assistance center under the elementary and secondary education school laws, is amended to read as follows:

(f) The department is authorized to develop forms and promulgate appropriate rules~~, regulations,~~ and procedures as may be required to implement the provisions of this section.

SECTION 181. Arkansas Code § 6-10-117(d)(1), concerning a four-day school week under the elementary and secondary education school laws, is amended to read as follows:

(d)(1) The State Board of Education shall establish appropriate standards, guidelines, and rules~~, and regulations~~ for the determination of average daily membership of school districts and for the distribution of state aid to each local school district that elects to operate any or all of the public schools of its school district on a four-day school-week basis, to provide the school district with an equitable share of aid funds designated to equate a four-day school-week operation by the school district to the educational opportunities provided by a school district offering a five-day school week.

SECTION 182. Arkansas Code § 6-10-118(c), concerning information about the availability of the ARKids First Program under the elementary and secondary education school laws, is amended to read as follows:

(c) The State Board of Education shall promulgate rules ~~and~~

~~regulations~~ to implement this informational program.

SECTION 183. Arkansas Code § 6-11-105(d), concerning the powers and duties of the State Board of Education under the elementary and secondary education school laws, is amended to read as follows:

(d) The state board shall adopt rules ~~and regulations~~ for its meetings and proceedings as it deems advisable.

SECTION 184. Arkansas Code § 6-11-113(a)(3), concerning the acceptance and distribution of federal aid under the elementary and secondary education school laws, is amended to read as follows:

(3) The state board is empowered to promulgate such ~~regulations~~ rules and enforce such federal regulations as are necessary on the part of the state to meet any and all requirements of the United States Government in the distribution of federal aid.

SECTION 185. Arkansas Code § 6-11-125(b), concerning legislative intent regarding information technology under the elementary and secondary education school laws, is amended to read as follows:

(b) The State Board of Education, acting through the department, shall use every means available to eliminate the amount of paperwork required by state law and ~~regulations~~ rules to be reported from each local school district by utilizing to the fullest extent possible, beginning no later than July 1, 1998, the information technology network linking local school districts and the department.

SECTION 186. Arkansas Code § 6-11-205(a)(3), concerning acceptance and distribution of federal aid under the elementary and secondary education school laws, is amended to read as follows:

(3) The board may promulgate ~~regulations~~ rules as are necessary on the part of the state to meet any requirement of the federal government in the distribution of federal aid.

SECTION 187. Arkansas Code § 6-11-207 is amended to read as follows:

6-11-207. Power to make plans coordinating state and federal laws.

The State Board of Career Education may make plans~~,~~ and rules~~, and~~

~~regulations~~ as are necessary in order for this state to meet the requirements of any law enacted by Congress for vocational-technical education or any supplementary federal regulations pertaining to that legislation.

SECTION 188. Arkansas Code § 6-13-629(a)(3)(A)(i)(b), concerning reimbursement of a local school district board of directors for training and instruction under the elementary and secondary education school laws, is amended to read as follows:

(b) Other financial laws, rules, or federal regulations designated by the Department of Education;

SECTION 189. Arkansas Code § 6-13-631(i), concerning the effect of the minority population on election of members of the board of directors under the elementary and secondary education school laws, is amended to read as follows:

(i) The State Board of Education is hereby authorized to adopt rules ~~and regulations~~ necessary for the implementation of this section.

SECTION 190. Arkansas Code § 6-13-701(e)(8), concerning the powers and duties of the school district treasurer under the elementary and secondary education school laws, is amended to read as follows:

(8) To perform all duties now imposed by law upon the treasurer of a school district and to be subject to all regulations or rules.

SECTION 191. Arkansas Code § 6-13-904(b), concerning agents for school districts under the Public School Educational Cooperative Act of 1981, is amended to read as follows:

(b) The educational cooperatives will have the power to contract and handle funds for the member school districts under conditions specified in the agreement between the member school districts and federal law and regulations and state law and ~~regulation~~ rule.

SECTION 192. Arkansas Code § 6-13-906(a)(1) and (2), concerning rules and reports of educational cooperatives under the Public School Educational Cooperative Act of 1981, are amended to read as follows:

(1) Abide by all rules ~~and regulations~~ of the Department of

Education which apply to school districts generally; and

(2) Make all reports as required by law and ~~regulation~~ rule which apply to school districts generally to the department.

SECTION 193. Arkansas Code § 6-13-1010(a)(5), concerning a director of an education service cooperative under the Education Service Cooperative Act of 1985, is amended to read as follows:

(5) Perform other duties as required by the education service cooperative's governing body and the policies~~,~~ and rules~~, and regulations~~ of the State Board of Education.

SECTION 194. Arkansas Code § 6-13-1011(a)(1), concerning the personnel of education service cooperatives under the Education Service Cooperative Act of 1985, is amended to read as follows:

(a)(1) Personnel of education service cooperatives shall be employed in accordance with laws, rules, ~~regulations,~~ and procedures applicable to the school districts of this state.

SECTION 195. Arkansas Code § 6-13-1013(a), concerning policies and rules for the governing of education service cooperatives under the Education Service Cooperative Act of 1985, is amended to read as follows:

(a) The State Board of Education shall develop such policies~~,~~ and rules~~, and regulations~~ as may be needed for the proper administration of this subchapter consistent with the need to support and assist education service cooperatives in the delivery of services to school districts and with prudent use of available human and financial resources.

SECTION 196. Arkansas Code § 6-13-1027(a)(1), concerning the definition of "fiscal integrity" for education service cooperatives under the Education Service Cooperative Act of 1985, is amended to read as follows:

(1) "Fiscal integrity" means the education service cooperative's ability to comply completely, accurately, and timely with financial management, accounting, auditing, and reporting procedures required by state law and rule or federal law and regulations; and

SECTION 197. Arkansas Code § 6-13-1027(b)(3), concerning fiscal

distress of education service cooperatives under the Education Service Cooperative Act of 1985, is amended to read as follows:

(3) A material violation of local, state, or federal law, state rule, or federal regulations relating to:

(A) Fire, health, or safety codes;

(B) Construction codes;

(C) Audit requirements; or

(D) Procurement, bidding, and purchasing requirements;

SECTION 198. Arkansas Code § 6-13-1031(e), concerning fiscal distress appeals of education service cooperatives under the Education Service Cooperative Act of 1985, is amended to read as follows:

(e) Notwithstanding any appeal rights in this section, no appeal shall stay the state board's or the Department of Education's authority to take action to enforce the education service cooperative's compliance with financial management, accounting, auditing, and reporting procedures required by state law or rule or federal law and regulations.

SECTION 199. Arkansas Code § 6-13-1409(a)(3), concerning the State Board of Education under the elementary and secondary education school laws, is amended to read as follows:

(3) To enact rules ~~and regulations~~ regarding the consolidation and annexation of school districts under this title.

SECTION 200. Arkansas Code § 6-13-1505(f)(3), concerning the creation of a school district under the elementary and secondary education school laws, is amended to read as follows:

(3) To enact rules ~~and regulations~~ regarding the creation of school districts by detachment under this subchapter.

SECTION 201. Arkansas Code § 6-15-102(f)(1), concerning the Division of Public School Accountability under the elementary and secondary education school laws, is amended to read as follows:

(1) To monitor schools for compliance with:

(A) State rules and federal regulations;

(B) Legislative acts and court-ordered mandates;

(C) All standards of learning and accreditation as established by the state board; and

(D) All rules ~~and regulations~~ as established by the state board;

SECTION 202. Arkansas Code § 6-15-202(a), concerning development of accreditation rules and standards under The Quality Education Act of 2003, is amended to read as follows:

(a)(1) The State Board of Education is authorized and directed to develop comprehensive ~~regulations~~ rules, criteria, and standards to be used by the state board and the Department of Education in the accreditation of school programs in elementary and secondary public schools in this state.

(2) In its ~~regulations~~ rules, criteria, and standards promulgated under this subchapter, the state board shall include a provision regarding the attainment of unitary status for school districts that have not been released from court supervision over desegregation obligations.

SECTION 203. Arkansas Code § 6-15-202(c), concerning development of accreditation rules and standards under The Quality Education Act of 2003, is amended to read as follows:

(c) The state board shall promulgate rules ~~and regulations~~ setting forth:

(1) The process for identifying schools and school districts that fail to meet the standards;

(2) Enforcement measures the state board may apply to bring a school or school district into compliance with the standards, including, but not limited to, annexation, consolidation, or reconstitution of the school district in accordance with § 6-13-1401 et seq. and this subchapter; and

(3) The appeal process available to a school district under this subchapter.

SECTION 204. Arkansas Code § 6-15-202(d), concerning development of accreditation rules and standards under The Quality Education Act of 2003, is amended to read as follows:

(d) After the ~~regulations~~ rules are adopted and implemented by the state board, standards and procedures shall regularly be reviewed by the

House Committee on Education and the Senate Committee on Education at least one (1) time every two (2) years, and recommendations and advice may be filed by the House Committee on Education and the Senate Committee on Education with the state board for its consideration.

SECTION 205. Arkansas Code § 6-15-206(b)(2), concerning subsequent failure to meet standards for accreditation under The Quality Education Act of 2003, is amended to read as follows:

(2) The department shall prepare and promulgate ~~regulations~~ rules and guidelines for the maximum times allowable for correction of any violations of standards, provided no probationary status violation may exist for more than two (2) consecutive school years.

SECTION 206. The introductory language of Arkansas Code § 6-15-209, concerning the responsibilities of the State Board of Education, is amended to read as follows:

The State Board of Education shall promulgate rules ~~and regulations~~ as necessary to set forth the:

SECTION 207. Arkansas Code § 6-15-502 is amended to read as follows:

6-15-502. Rules~~, regulations,~~ and procedures for monitoring and enforcing provisions.

(a) The provisions of § 6-18-201(a) shall be self-executing, and the State Board of Education shall have no authority to promulgate rules~~, regulations,~~ or guidelines for the enforcement or administration thereof.

(b) The state board is empowered to make such reasonable rules ~~and regulations~~ required for the proper administration of this subchapter which are not inconsistent with the intent of this subchapter.

SECTION 208. Arkansas Code § 6-15-509(b)(3), concerning participation of home-schooled students in interscholastic activities and the definition of "interscholastic activity" under the elementary and secondary education school laws, is amended to read as follows:

(3) "Interscholastic activity" means an activity between schools subject to ~~regulations~~ rules of the Arkansas Activities Association that is:

(A) Outside the regular curriculum of a school district,

including without limitation an athletic activity, a fine arts program, or a special interest club or group; and

(B) Taught by an individual with a minimum of a high school diploma;

SECTION 209. Arkansas Code § 6-15-510(a)(3), concerning participation in interscholastic activities at private schools and the definition of "interscholastic activity" under the elementary and secondary education school laws, is amended to read as follows:

(3) "Interscholastic activity" means an activity between schools subject to ~~regulations~~ rules of the Arkansas Activities Association that is:

(A) Outside the regular curriculum of the school, including without limitation an athletic activity, a fine arts program, or a special interest club or group; and

(B) Taught by an individual with a minimum of a high school diploma; and

SECTION 210. Arkansas Code § 6-15-1004(e)(5), concerning the definition of "long-term substitute" under the Arkansas Public Education Act of 1997, is amended to read as follows:

(5) The state board shall develop rules ~~and regulations~~ for granting a long-term substitute waiver.

SECTION 211. Arkansas Code § 6-15-1011 is amended to read as follows:

6-15-1011. Rules ~~and regulations~~.

The State Board of Education shall promulgate rules ~~and regulations~~ necessary for the implementation of this subchapter.

SECTION 212. Arkansas Code § 6-15-1101(c), concerning seals and stamps added to high school diplomas, is amended to read as follows:

(c) The state board is authorized to promulgate rules ~~and regulations~~ for the implementation of this section.

SECTION 213. Arkansas Code § 6-15-1301(c)(2), concerning the creation, powers, and duties of the Safe Schools Committee under the elementary and secondary education school laws, is amended to read as follows:

(2) To recommend to the State Board of Education any necessary rules ~~and regulations~~ for ensuring a safe school environment; and

SECTION 214. Arkansas Code § 6-15-1506 is amended to read as follows:

6-15-1506. Rules ~~and regulations~~.

~~Before December 31, 2003, the~~ The State Board of Education shall promulgate appropriate rules ~~and regulations~~ necessary to carry out this subchapter.

SECTION 215. Arkansas Code § 6-16-102(b), concerning school days under the elementary and secondary education school laws, is amended to read as follows:

(b) Notwithstanding subsection (a) of this section, the State Board of Education shall promulgate ~~regulations~~ rules to prescribe the credit to be given students for attending school for only a portion of a school day because the school is closed due to emergency circumstances which would be hazardous to the health of the students. The state board shall also identify the emergency circumstances.

SECTION 216. Arkansas Code § 6-16-120(d), concerning academic credit for community service under the elementary and secondary education school laws, is amended to read as follows:

(d) The state board is hereby authorized to promulgate rules ~~and regulations~~ necessary for the implementation of this section.

SECTION 217. Arkansas Code § 6-16-133(d), concerning World War II veteran diplomas under the elementary and secondary education school laws, is amended to read as follows:

(d)(1) The State Board of Education shall adopt rules ~~and regulations~~ to implement the provisions of this section.

(2) The state board shall consult with the Department of Veterans Affairs in developing rules ~~and regulations~~ to implement the provisions of this section.

SECTION 218. Arkansas Code § 6-16-134(d), concerning veterans' diplomas under the elementary and secondary education school laws, is amended

to read as follows:

(d)(1) The State Board of Education shall adopt rules ~~and regulations~~ to implement the provisions of this section.

(2) The state board shall consult with the Department of Veterans Affairs in developing rules ~~and regulations~~ to implement the provisions of this section.

SECTION 219. Arkansas Code § 6-16-302(c), concerning the administration of federal funds by the State Board of Education or State Board of Career Education under the Early Childhood and Adult Education Act of 1969, is amended to read as follows:

(c) The state agency or authority shall disburse any and all federal funds in accordance with federal and state statutes and any implementing federal regulations or state rules pertaining thereto.

SECTION 220. Arkansas Code § 6-16-306(a), concerning vocational-technical high schools under the Early Childhood and Adult Education Act of 1969, is amended to read as follows:

(a) Nothing in this subchapter shall be construed as prohibiting a school district from operating a designated, approved area vocational-technical high school in keeping with federal or state legislation and Career Education and Workforce Development Board ~~regulations~~ rules pertaining thereto.

SECTION 221. Arkansas Code § 6-16-313(a), concerning minimum standards for early childhood and kindergarten programs under the Early Childhood and Adult Education Act of 1969, is amended to read as follows:

(a) The State Board of Education shall promulgate and adopt such rules ~~and regulations~~ as it deems appropriate providing minimum standards, including program standards and teacher licensure standards, for the conduct of public school kindergarten programs.

SECTION 222. Arkansas Code § 6-16-804(e), concerning the establishment of the Arkansas Advanced Placement and International Baccalaureate Diploma Incentive Program,, is amended to read as follows:

(e) The state board is authorized to promulgate rules ~~and regulations~~

necessary to implement this subchapter.

SECTION 223. Arkansas Code § 6-17-113(e), concerning the duty to report and investigate student criminal acts under the elementary and secondary education school laws, is amended to read as follows:

(e) The State Board of Education shall promulgate rules ~~and regulations~~ to ensure uniform compliance with the requirements of this section and shall consult with the office of the Attorney General concerning the development of these rules ~~and regulations~~.

SECTION 224. Arkansas Code § 6-17-204(c)(1) and (2), concerning incorporation of personnel policies into teachers' contracts under the elementary and secondary education school laws, are amended to read as follows:

(c)(1) Notwithstanding subsection (b) of this section, a change or addition to the personnel policies that is necessary to ensure compliance with a state rule or federal regulation, a state law enacted during a legislative session, or a federal law that is adopted by the school district board of directors each year by the later of June 30 or ninety (90) days after the effective date of a change to a state rule or federal regulation, a state law enacted during a legislative session, or a federal law giving rise to the specific policy change or addition shall be considered a part of licensed personnel contracts on July 1 of the same calendar year or upon the date of adoption if adopted after June 30.

(2) Any changes or additions to the personnel policies adopted by the school district board of directors between May 1 and June 30 each year that are not required to ensure compliance with state law or rule or federal law or regulation shall be considered a part of licensed personnel contracts on July 1 of the same calendar year if:

(A) A notice of the change is sent no later than five (5) working days after final board action by first class letter to the address on record in the personnel file of each affected employee; and

(B) The notice of change includes:

(i)(a) The new or modified policy.

(b) A modified policy shall be provided in a form that clearly shows additions underlined and deletions stricken; and

(ii)(a) A provision that states that due to the policy change, each continuing employee under contract shall have the power to unilaterally exercise the power of rescission within a period of thirty (30) days after the school district board of directors takes final action by providing to the school district board of directors a notice of rescission in the form of a letter of resignation during the period of thirty (30) days.

(b) For continuing contract employees covered under The Teacher Fair Dismissal Act of 1983, § 6-17-1501 et seq., the power of rescission in this section shall be in addition to the power of rescission provided under § 6-17-1506.

SECTION 225. Arkansas Code § 6-17-208(a)(2)(A), concerning the definition of "grievance" under the elementary and secondary education school laws, is amended to read as follows:

(2)(A) "Grievance" means any concern related to personnel policy, salary, federal laws and regulations, ~~or~~ state laws and ~~regulations~~ rules, or terms or conditions of employment raised by an employee.

SECTION 226. Arkansas Code § 6-17-308(a), concerning moving expenses of teachers in particular regions under the elementary and secondary education school laws, is amended to read as follows:

(a) The State Board of Education shall prescribe rules ~~and regulations~~ that allow for reimbursement to state-licensed teachers for the expense of moving when the employment necessitates the relocation of the teacher to a different geographical area from that in which the teacher resided before entering into a contract.

SECTION 227. Arkansas Code § 6-17-308(d)(2)(E), concerning moving expenses of teachers in particular regions under the elementary and secondary education school laws, is amended to read as follows:

(E) Other expenses associated with the relocation in accordance with the department's established rules ~~and regulations~~.

SECTION 228. Arkansas Code § 6-17-309(b)(2), concerning waiver of licensure for teachers under the elementary and secondary education school laws, is amended to read as follows:

(2) The state board shall develop rules ~~and regulations~~ for granting a waiver.

SECTION 229. Arkansas Code § 6-17-413(a)(2)(A), concerning National Board for Professional Teaching Standards certification funding bonuses under the elementary and secondary education school laws, is amended to read as follows:

(2)(A) The State Board of Education shall promulgate rules ~~and regulations~~ for the selection process of teacher participants in the program of the national board.

SECTION 230. Arkansas Code § 6-17-413(a)(4), concerning National Board for Professional Teaching Standards certification funding bonuses under the elementary and secondary education school laws, is amended to read as follows:

(4) The State Board of Education is authorized to promulgate rules ~~and regulations~~ to establish a support program for teachers selected to participate in the program of the national board.

SECTION 231. Arkansas Code § 6-17-602 is amended to read as follows:

6-17-602. Application for new licensure.

Any teacher, administrator, or other licensed person who is not eligible for renewal of the license due to failure to comply with this subchapter is eligible to apply for new licensure under initial licensure ~~regulations~~ rules or other ~~regulations~~ rules promulgated by the State Board of Education.

SECTION 232. Arkansas Code § 6-17-1113(e)(2), concerning the School Worker Defense Program under the elementary and secondary education school laws, is amended to read as follows:

(2) The department shall adopt appropriate rules ~~and regulations~~ necessary to carry out the purposes of this section.

SECTION 233. Arkansas Code § 6-17-1118(e)(1), concerning the School Worker Defense Program Advisory Board under the elementary and secondary education school laws, is amended to read as follows:

(e)(1) The Department of Education may promulgate rules ~~and regulations~~ as necessary for the proper administration of this section to establish an advisory board.

SECTION 234. Arkansas Code § 6-17-1402(a), concerning the Workers' Compensation Commission's authority for personal injuries and death of officers and employees of public schools under the elementary and secondary education school laws, is amended to read as follows:

(a) The Workers' Compensation Commission is authorized to adopt rules ~~and regulations~~ and to prescribe forms it deems necessary or desirable to properly carry out the purpose and intent of this subchapter.

SECTION 235. Arkansas Code § 6-17-1402(c), concerning the Workers' Compensation Commission's authority for personal injuries and death of officers and employees of public schools under the elementary and secondary education school laws, is amended to read as follows:

(c) The method and procedure of filing claims and the determination of awards pursuant to such claims shall be the same as provided by law and rules ~~and regulations~~ of the commission with respect to claims filed by employees of private employers.

SECTION 236. Arkansas Code § 6-17-1413(b)(3)(A)(i)(a), concerning the Workers' Compensation Commission's coverage carriers for personal injuries and death of officers and employees of public schools under the elementary and secondary education school laws, is amended to read as follows:

(3)(A)(i)(a) Any self-funding group of participating school districts shall be subject to the ~~regulations~~ rules of the Workers' Compensation Commission applicable to self-insured groups or providers.

SECTION 237. Arkansas Code § 6-17-1603(a), concerning the yearly incentive bonus for principals receiving master school principal status under the elementary and secondary education school laws, is amended to read as follows:

(a) The Department of Education shall promulgate rules ~~and regulations~~ for the nine thousand dollar ($9,000) yearly incentive bonus provided under this section for principals receiving master school principal status.

SECTION 238. Arkansas Code § 6-17-1604(a), concerning the high-need school salary bonus and hold-back longevity bonus for principals of high-need public schools under the elementary and secondary education school laws, is amended to read as follows:

(a) The State Board of Education shall promulgate rules ~~and regulations~~ for an additional high-need school salary bonus, including a hold-back longevity bonus, for each principal receiving master school principal status and serving as a principal of a high-need public school.

SECTION 239. Arkansas Code § 6-17-2204 is amended to read as follows:

6-17-2204. Rules ~~and regulations~~.

The State Board of Education is authorized to promulgate rules ~~and regulations~~ to establish a method of determining whether a classified employee shall be considered to work twenty (20) or more hours per week.

SECTION 240. Arkansas Code § 6-17-2304(c), concerning incorporation of personnel policies into school district employee contracts under the elementary and secondary education school laws, is amended to read as follows:

(c) Notwithstanding subsection (b) of this section, a change or addition to the classified personnel policies that is necessary to ensure compliance with state rule or federal regulation, a state law enacted during a legislative session, or a federal law that is adopted by the board of directors of a school district each year by the later of June 30 or ninety (90) days after the effective date of the state rule or federal regulation, a state law enacted during a legislative session, or a federal law giving rise to the specific policy change or addition shall be considered a part of the classified personnel contracts on July 1 of the same calendar year or upon the date of adoption if adopted after June 30.

SECTION 241. Arkansas Code § 6-18-103(c), concerning Military Selective Service Act registration under the elementary and secondary education school laws, is amended to read as follows:

(c) The Department of Education shall issue rules ~~and regulations~~ to ensure compliance with the provisions of this section and compliance with all

federal regulations.

SECTION 242. Arkansas Code § 6-18-105(c)(2), concerning skills and knowledge for preparation of kindergarten children under the elementary and secondary education school laws, is amended to read as follows:

(2) By December 31, 2003, the Department of Human Services shall adopt rules ~~and regulations~~ requiring child care facilities licensed by the division each year to distribute the list to the parent of each three-year-old child, four-year-old child, and five-year-old child attending the child care facility.

SECTION 243. Arkansas Code § 6-18-108(c), concerning continuity of education for public school choice students under the elementary and secondary education school laws, is amended to read as follows:

(c) A present or future sibling of a student who continues enrollment in the nonresident district under this section may enroll in or continue enrollment in the nonresident district until the sibling completes his or her secondary education, if the district has the capacity to accept the sibling without adding teachers, staff, or classrooms, or exceed the ~~regulations~~ rules and standards established in law.

SECTION 244. Arkansas Code § 6-18-204(c)(2), concerning conditions of student attendance in another district under the elementary and secondary education school laws, is amended to read as follows:

(2) The resident district of a student taking advantage of the provisions of this subsection shall pay tuition to the district or education service cooperative that is the administrative agency for the compact program in the amount agreed upon in the compact or as required by state ~~regulation~~ rule.

SECTION 245. Arkansas Code § 6-18-213(g), concerning attendance records and reports generally under the elementary and secondary education school laws, is amended to read as follows:

(g) The state board shall promulgate rules~~, regulations,~~ and procedures as may be required to implement the intent of this section.

SECTION 246. Arkansas Code § 6-18-214(e) and (f), concerning records of students leaving school without graduating under the elementary and secondary education school laws, are amended to read as follows:

(e) The State Board of Education shall develop such forms and shall promulgate such rules~~, regulations,~~ and procedures as may be required to implement the intent of this section.

(f) To provide for more accurate, comparable, and timely dropout and school-leaver statistics and to facilitate inclusion in the national education data system, the forms, rules~~, regulations,~~ and procedures shall be developed and implemented in such a way as to allow for conformity with existing or revised collection processes for the data by the National Center for Education Statistics.

SECTION 247. Arkansas Code § 6-18-222(b)(3), concerning the penalty for unexcused absences and revocation of driving privilege under the elementary and secondary education school laws, is amended to read as follows:

(3) The department shall have the power to promulgate rules ~~and regulations~~ to carry out the intent of this section and shall distribute to each public, private, and parochial school and each adult education program a copy of all rules ~~and regulations~~ adopted under this section.

SECTION 248. Arkansas Code § 6-18-223(a)(1), concerning public school student credit for college courses under the elementary and secondary education school laws, is amended to read as follows:

(a)(1) A public school student who is enrolled in a public school in Arkansas and who has successfully completed the eighth grade shall be eligible to enroll in a publicly supported community college or four-year college or university in accordance with rules ~~and regulations~~ adopted by each institution in consultation with the Arkansas Higher Education Coordinating Board.

SECTION 249. Arkansas Code § 6-18-223(b), concerning public school student credit for college courses under the elementary and secondary education school laws, is amended to read as follows:

(b) The State Board of Education is authorized to adopt rules ~~and~~

~~regulations~~ as may be necessary for implementation of this requirement.

SECTION 250. Arkansas Code § 6-18-227(d)(2)(A)(ii), concerning the enactment of the Arkansas Opportunity Public School Choice Act of 2004, is amended to read as follows:

(ii) A lack of capacity may be claimed by a school district only if the school district has reached the maximum student-to-teacher ratio allowed under federal law, state law, the rules for standards of accreditation, state rules, or other applicable federal regulations.

SECTION 251. Arkansas Code § 6-18-504(a), concerning compliance with statutes regarding student discipline policies under the elementary and secondary education school laws, is amended to read as follows:

(a) The Department of Education shall monitor compliance with the requirements of §§ 6-18-502 and 6-18-503, and the State Board of Education shall adopt rules ~~and regulations~~ for the administration of the requirements thereof.

SECTION 252. Arkansas Code § 6-18-701(a), concerning physical examinations under the elementary and secondary education school laws, is amended to read as follows:

(a) It shall be lawful for the board of directors of any school district in this state to appoint and provide for the payment of one (1) or more physicians or nurses and to assign any person so employed to the public schools of the district for the purpose of making such physical examinations of the pupils of the schools as may be prescribed in the rules ~~and regulations~~ of the State Board of Education.

SECTION 253. Arkansas Code § 6-18-702(b)(2)(B) and (C), concerning immunization under the elementary and secondary education school laws, are amended to read as follows:

(B) The division may promulgate appropriate rules ~~and regulations~~, to be approved by the Arkansas Early Childhood Commission, for the enforcement of this section.

(C) The owners or managers of those facilities and any parent or guardian violating the ~~regulations~~ rules shall be subject to the

penalties provided in the Child Care Facility Licensing Act, § 20-78-201 et seq.

SECTION 254. Arkansas Code § 6-18-702(c)(1)(A)(ii), concerning immunization under the elementary and secondary education school laws, is amended to read as follows:

(ii) The division may promulgate appropriate rules ~~and regulations~~ for the enforcement of this section.

SECTION 255. Arkansas Code § 6-18-702(c)(1)(B), concerning immunization under the elementary and secondary education school laws, is amended to read as follows:

(B) The owners or managers of those facilities and any parent or guardian violating the ~~regulations~~ rules shall be subject to the penalties provided in the Child Care Facility Licensing Act, § 20-78-201 et seq.

SECTION 256. Arkansas Code § 6-18-702(c)(2), concerning immunization under the elementary and secondary education school laws, is amended to read as follows:

(2)(A) Regarding kindergarten through grade twelve (K-12), the State Board of Education, after having consulted with the State Board of Health, shall promulgate appropriate rules ~~and regulations~~ for the enforcement of this section by school district boards of directors, superintendents, and principals.

(B) Any school official, parent, or guardian violating the ~~regulations~~ rules shall be subject to the penalties imposed in this section.

SECTION 257. Arkansas Code § 6-18-702(d)(1)(A), concerning immunization under the elementary and secondary education school laws, is amended to read as follows:

(d)(1)(A) The State Board of Health shall promulgate rules ~~and regulations~~ to ensure that all exemptions provided by this section shall have a minimal effect on the health and safety of all children attending day care or kindergarten through grade twelve (K-12).

SECTION 258. Arkansas Code § 6-18-702(d)(4)(B) and (C), concerning immunization under the elementary and secondary education school laws, are amended to read as follows:

(B) The parents or legal guardian of the child shall complete an annual application process developed in the rules ~~and regulations~~ of the Department of Health for medical, religious, and philosophical exemptions.

(C) The rules ~~and regulations~~ developed by the Department of Health for medical, religious, and philosophical exemptions shall include, but not be limited to:

(i) A notarized statement requesting a religious, philosophical, or medical exemption from the Department of Health by the parents or legal guardian of the child regarding the objection;

(ii) Completion of an educational component developed by the Department of Health that includes information on the risks and benefits of vaccination;

(iii) An informed consent from the parents or guardian that shall include a signed statement of refusal to vaccinate based on the Department of Health's refusal-to-vaccinate form; and

(iv) A signed statement of understanding that:

(a) At the discretion of the Department of Health, the unimmunized child or individual may be removed from day care or school during an outbreak if the child or individual is not fully vaccinated; and

(b) The child or individual shall not return to school until the outbreak has been resolved and the Department of Health approves the return to school.

SECTION 259. Arkansas Code § 6-18-702(e), concerning immunization under the elementary and secondary education school laws, is amended to read as follows:

(e) Any person found guilty of violating this section or the ~~regulations~~ rules promulgated by the State Board of Education or the division for the enforcement of this section shall be guilty of a violation and upon conviction shall be fined not less than twenty-five dollars ($25.00) nor more than one hundred dollars ($100) for each offense.

SECTION 260. Arkansas Code § 6-18-705(c), concerning the elementary and secondary education breakfast program under the elementary and secondary education school laws, is amended to read as follows:

(c) The Department of Education may promulgate rules ~~and regulations~~ necessary for implementation of this section in compliance with federal regulations and guidelines.

SECTION 261. Arkansas Code § 6-18-901(d)(2), concerning elementary and secondary education maintenance of permanent student records under the elementary and secondary education school laws, is amended to read as follows:

(2) Upon request by the Division of Youth Services of the Department of Human Services, a copy of the education record, as defined by ~~regulations~~ rules promulgated by the Department of Education, shall be transmitted to the division within ten (10) school days.

SECTION 262. Arkansas Code § 6-18-1302(1)(E), concerning the definition of "personal identifying information" under the Parental Authorization of Questionnaires Act, is amended to read as follows:

(E) Any information, the disclosure of which is regulated or prohibited by any other state law, state rule, ~~or~~ federal law, or federal regulation;

SECTION 263. Arkansas Code § 6-18-1302(4)(B)(i), concerning the definition of "questionnaire or survey" under the Parental Authorization of Questionnaires Act, is amended to read as follows:

(i) Tests mandated by state law, state rule, ~~or~~ federal law, or federal regulation; or

SECTION 264. Arkansas Code § 6-18-1503(a), concerning standardized forms for eye and vision screening under the elementary and secondary education school laws, is amended to read as follows:

(a) Standardized forms for eye and vision screening reports shall be developed by the Department of Education in conjunction with the Arkansas Commission on Eye and Vision Care of School-Age Children and adopted by the

department in ~~regulations~~ rules promulgated under the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 265. Arkansas Code § 6-18-1504 is amended to read as follows:

6-18-1504. Training.

The Department of Education, in conjunction with the Arkansas Commission on Eye and Vision Care of School-Age Children, shall adopt ~~regulations~~ rules that establish standards for training school nurses to perform eye and vision screenings.

SECTION 266. Arkansas Code § 6-18-1904(c)(2), concerning general provisions for the transfer of a student under the Public School Choice Act of 2015, is amended to read as follows:

(2) A present or future sibling of a student who continues enrollment in the nonresident district under this subsection and applies for a school choice transfer under § 6-18-1905 may enroll in the nonresident district if the district has the capacity to accept the sibling without adding teachers, staff, or classrooms or exceeding the regulation, rules, or ~~and~~ standards established by law.

SECTION 267. Arkansas Code § 6-19-104 is amended to read as follows:

6-19-104. Bus drivers generally.

Drivers or operators of school buses shall comply with all laws, rules, and regulations pertaining to school bus drivers or operators not in conflict with the provisions of §§ 6-19-101, 6-19-103, 6-19-105 [repealed], and 6-19-106.

SECTION 268. Arkansas Code § 6-19-111 is amended to read as follows:

6-19-111. Bus ~~regulations~~ rules — Design and operation.

(a) The Commission for Arkansas Public School Academic Facilities and Transportation shall adopt and enforce ~~regulations~~ rules to govern the design and operation of all school buses used for the transportation of school children when the buses are owned and operated by a school district or privately owned and operated under contract with a school district in this state.

(b) Such ~~regulations~~ rules shall by reference be made a part of any

contract with a school district.

(c) Every school district, its officers and employees, and every person employed under contract by a school district shall be subject to the ~~regulations~~ rules.

(d) Any officer or employee of any school district who violates any of the ~~regulations~~ rules or fails to include an obligation to comply with the ~~regulations~~ rules in any contract executed by him or her on behalf of a school district shall be guilty of misconduct and subject to removal from office or employment.

(e) Any person operating a school bus under contract with a school district who fails to comply with any such ~~regulations~~ rules shall be guilty of breach of contract, and the contract shall be cancelled after notice by the responsible officers of the school district.

SECTION 269. Arkansas Code § 6-19-114(a), concerning the purchase of school buses under the Public School Choice Act of 2015, is amended to read as follows:

(a) School buses purchased with loans from the Revolving Loan Fund must meet the prescribed minimum standards, laws, rules, and regulations for school buses and must be owned and operated by the district purchasing them.

SECTION 270. Arkansas Code § 6-19-116(b), concerning the use of bus mirrors, is amended to read as follows:

(b) The Division of Public School Academic Facilities and Transportation is authorized to adopt appropriate rules ~~and regulations~~ as it deems necessary to carry out the intent and purposes of this section.

SECTION 271. Arkansas Code § 6-20-104(c), concerning reimbursement for educational services provided in juvenile detention facilities, is amended to read as follows:

(c) The department shall issue ~~regulations~~ rules for the effective implementation of this section, including:

(1) The classification of juvenile detention centers as approved residential treatment facilities;

(2) The designation of the juvenile detention facility and the district where the juvenile detention facility is located as responsible for

educating the student consistent with federal and state laws for any period of time the student is being held in the facility; and

(3) The designation of the resident district of a student who is being held in a juvenile detention facility as responsible for the timely transfer of a student's educational records to the district where the juvenile detention facility is located upon notification by the court of the student's placement in a juvenile detention facility.

SECTION 272. Arkansas Code § 6-20-106 is amended to read as follows:

6-20-106. Amendment 74 rules ~~and regulations~~.

Due to pending public school finance litigation, before any rules ~~and regulations~~ pursuant to the implementation of Arkansas Constitution, Amendment 74, are reviewed by the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council and adopted by the Department of Education, such proposed rules ~~and regulations~~ shall be reviewed by the Litigation Reports Oversight Subcommittee of the Legislative Council.

SECTION 273. Arkansas Code § 6-20-402(c)(2), concerning limitation on current indebtedness and postdated warrants and installment contracts of public school districts under the elementary and secondary education school laws, is amended to read as follows:

(2) The state board may promulgate rules ~~and regulations~~ as necessary to implement subdivision (c)(1) of this section.

SECTION 274. Arkansas Code § 6-20-502(2), concerning the definition of "child with disabilities" or "student with disabilities" as it relates to funds for children with disabilities and foster children under the elementary and secondary education school laws, is amended to read as follows:

(2) "Child with disabilities" or "student with disabilities" means a person eligible to attend the public schools in this state who is identified as disabled in accordance with ~~regulations~~ rules promulgated by the State Board of Education under the Children With Disabilities Act of 1973, § 6-41-201 et seq.;

SECTION 275. Arkansas Code § 6-20-502(6), concerning the definition of "sending district" as it relates to funds for children with disabilities and

foster children, is amended to read as follows:

(6) "Sending district" means the school district that is defined by laws or ~~regulations~~ rules as being the school district of residence of the school-age child; and

SECTION 276. Arkansas Code § 6-20-503 is amended to read as follows:

6-20-503. Rules ~~and regulations~~.

The State Board of Education shall adopt reasonable rules ~~and regulations~~ for the administration and enforcement of the provisions of this subchapter and for the carrying out of the purposes and intent of this subchapter that reasonable procedures be established to assure that funds provided for the education of children living in foster homes and of children with disabilities, as defined in this subchapter, in this state shall be equitably and fairly shared by the school districts having the lawful responsibility for the education of such children in this state.

SECTION 277. Arkansas Code § 6-20-505(b)(1), concerning a receiving district's request for funds received on behalf of children with disabilities under the elementary and secondary education school laws, is amended to read as follows:

(1) The child is a child with disabilities as defined in this subchapter and the applicable rules ~~and regulations~~ promulgated by the State Board of Education, as provided in this subchapter;

SECTION 278. Arkansas Code § 6-20-505(b)(4), concerning a receiving district's request for funds received on behalf of children with disabilities under the elementary and secondary education school laws, is amended to read as follows:

(4) The request for attendance at the receiving district is not based upon any racial or other reason that might be contrary to the laws and regulations of the United States or of this state or the rules ~~and regulations~~ promulgated by the state board under the provisions of this subchapter.

SECTION 279. Arkansas Code § 6-20-507(b)(1)(D), concerning children with disabilities and hearings before a hearing officer under the elementary

and secondary education school laws, is amended to read as follows:

(D) The request for attendance at the receiving district is not based upon any racial or other reason that might be contrary to the laws, rules, and regulations of the United States or of this state or the rules ~~and regulations~~ promulgated by the state board under the provisions of this subchapter.

SECTION 280. Arkansas Code § 6-20-601(b)(3), concerning qualifications for receiving local school district isolated funding under the elementary and secondary education school laws, is amended to read as follows:

(3) The school district and each school within the school district meets the minimum standards for accreditation of public schools prescribed by law and ~~regulation~~ rule.

SECTION 281. Arkansas Code § 6-20-702(a), concerning the administration by the State Board of Education of school lunch programs under the elementary and secondary education school laws, is amended to read as follows:

(a) The State Board of Education may enter into such agreements with any agency of the federal government, with any school district, or with any other agency or person and may prescribe such ~~regulations~~ rules, employ such personnel, and take such other action as it may deem necessary to provide for the establishment, maintenance, operation, and expansion of any school lunch program and to direct the disbursement of federal and state funds, in accordance with any applicable provisions of federal or state law.

SECTION 282. Arkansas Code § 6-20-704(a), concerning the regulation and supervision of accounts, records, and operations of school lunch programs by the State Board of Education under the elementary and secondary education school laws, is amended to read as follows:

(a) The State Board of Education shall prescribe ~~regulations~~ rules for the keeping of accounts and records and the making of reports by or under the supervision of school districts.

SECTION 283. Arkansas Code § 6-20-811(f), concerning the State Board of Education, the Revolving Loan Program, the delivery of obligations, and

the drawing, and receipt of warrants under the elementary and secondary education school laws, is amended to read as follows:

(f) The state board shall have authority to adopt rules ~~and regulations~~ necessary to implement this section.

SECTION 284. Arkansas Code § 6-20-814(c), concerning the a school district's default or threatened default of payment from the Revolving Loan Program under the elementary and secondary education school laws, is amended to read as follows:

(c) Under such rules ~~and regulations~~ as shall be established by the Chief Fiscal Officer of the State, all maturities of principal and interest, as and when due, may be withheld from any such apportionments when mutually agreeable to the commissioner and the board of directors of the debtor school district.

SECTION 285. Arkansas Code § 6-20-1204(g), concerning the form of school bonds under the elementary and secondary education school laws, is amended to read as follows:

(g) The State Board of Education may promulgate the rules ~~and regulations~~ necessary to administer this section.

SECTION 286. Arkansas Code § 6-20-1205(b) and (c), concerning the submission of a statement prior to issuing bonds by a school district board under the elementary and secondary education school laws, are amended to read as follows:

(b) In addition to other reasons for disapproval of a bond issue provided under law or by ~~regulation~~ rule, neither the state board nor the commissioner shall approve the sale of bonds for the purposes described in § 6-20-1201 if that sale would cause an increase in the millage levy without a vote of the electors of that school district.

(c) The Department of Education is authorized to adopt procedural rules ~~and regulations~~ to enforce the provisions of this section.

SECTION 287. Arkansas Code § 6-20-1216(a), concerning the authority to use refunding bonds by a school district under the elementary and secondary education school laws, is amended to read as follows:

(a) Any school district of Arkansas shall have the right, subject to procedural rules ~~and regulations~~ adopted by the Department of Education, to refund its bonds outstanding at any time. Any department rule ~~or regulation~~ that would prevent or delay a school district from refunding outstanding bonds may be waived by the Commissioner of Education or the commissioner's designee provided that the commissioner or the commissioner's designee determines that it is in the best interest of the school district to proceed with the refunding immediately.

SECTION 288. Arkansas Code § 6-20-1223(a)(3), concerning refunding bonds of school districts and issuance without election under the elementary and secondary education school laws, is amended to read as follows:

(3) The issue has been approved by the Commissioner of Education or the commissioner's designee subject to Department of Education rules ~~and regulations~~.

SECTION 289. Arkansas Code § 6-20-1503(l), concerning the State Insurance Department's powers and duties regarding insurance for public elementary and secondary schools under the Public Elementary and Secondary School Insurance Act, is amended to read as follows:

(l) Adopt such rules ~~and regulations~~ as may be necessary to provide for the insuring of public elementary and secondary school, education service cooperative, and open-enrollment public charter school property within the State of Arkansas;

SECTION 290. Arkansas Code § 6-20-1507(d), concerning the premium rate and payment for the Public Elementary and Secondary School Insurance Program under the Public Elementary and Secondary School Insurance Act, is amended to read as follows:

(d) Rules ~~and regulations~~ of the department shall include such items as payment of premiums and other pertinent items with reference to the premium rate, but the rules ~~and regulations~~ shall not be more stringent than practices of commercial companies writing similar insurance in Arkansas.

SECTION 291. Arkansas Code § 6-20-1801(a)(1), concerning the filing of audit reports under the elementary and secondary education school laws, is

amended to read as follows:

(a)(1) Unless a shorter period is prescribed by law or ~~regulation~~ rule, all school districts' annual audits not conducted by Arkansas Legislative Audit shall be completed and filed with the Department of Education and Arkansas Legislative Audit within nine (9) months following the end of each fiscal year.

SECTION 292. Arkansas Code § 6-20-1803(b), concerning questionable audit reports received by the Department of Education under the elementary and secondary education school laws, is amended to read as follows:

(b) The board shall review all audit reports and working papers filed with the board under this subchapter. The board shall determine whether the report is in general conformity with applicable professional standards and state laws and ~~regulations~~ rules and shall take appropriate action.

SECTION 293. Arkansas Code § 6-20-1804(c)(2), concerning the Department of Education list of ineligible accountants under the elementary and secondary education school laws, is amended to read as follows:

(2) If the Quality Review Committee of the Arkansas State Board of Public Accountancy reports to the department and the Legislative Joint Auditing Committee that a school district audit report shows evidence of lack of general conformity with applicable professional standards or state laws and ~~regulations~~ rules or evidence that the report is substandard or seriously questionable; or

SECTION 294. Arkansas Code § 6-20-1805(a) and (b), concerning State Board of Education training requirements for bookkeepers under the elementary and secondary education school laws, are amended to read as follows:

(a) The State Board of Education shall establish by rules ~~or regulations~~ appropriate training and continuing education requirements for individuals whose job responsibilities include preparing a budget or classifying, recording, or reporting receipts or expenditures of a school or school district.

(b) The state board shall establish rules ~~or regulations~~ to assure the proficiency of school employees or other individuals to properly classify, record, and report the fiscal transactions of schools or school districts.

SECTION 295. Arkansas Code § 6-20-1903(5), concerning the definition of "fiscal integrity" within the Arkansas Fiscal Assessment and Accountability Program under the elementary and secondary education school laws, is amended to read as follows:

(5) “Fiscal integrity” means to comply with financial management, accounting, auditing, and reporting procedures and facilities management procedures as required by state laws and rules and federal laws and regulations in a forthright and timely manner;

SECTION 296. Arkansas Code § 6-20-1911 is amended to read as follows:

6-20-1911. Rules ~~and regulations~~.

(a) The Department of Education shall promulgate rules ~~and regulations~~ as necessary to identify, evaluate, assist, and address school districts in fiscal distress.

(b) The department may promulgate rules ~~and regulations~~ as necessary to administer this subchapter.

SECTION 297. Arkansas Code § 6-20-2204(f), concerning required training in the Arkansas Educational Financial Accounting and Reporting Act of 2004, is amended to read as follows:

(f) The state board is authorized to promulgate rules ~~and regulations~~ consistent with the provisions of this section.

SECTION 298. Arkansas Code § 6-20-2304(a), concerning access to information on legislation related to the Public School Funding Act of 2003, is amended to read as follows:

(a) The State Board of Education shall have the authority, acting pursuant to its rulemaking powers, to adopt ~~regulations~~ rules for the implementation of the provisions of this subchapter.

SECTION 299. Arkansas Code § 6-20-2305(f)(3), concerning school funding under the Public School Funding Act of 2003, is amended to read as follows:

(3) The school district shall maintain proper financial records in accordance with the state’s school accounting manual and ~~regulations~~ rules

promulgated by the State Board of Education;

SECTION 300. Arkansas Code § 6-20-2305(f)(5)(B), concerning school funding under the Public School Funding Act of 2003, is amended to read as follows:

(B) The records shall be kept according to law and ~~regulations~~ rules on paper or electronic forms either furnished or approved by the Department of Education.

SECTION 301. Arkansas Code § 6-21-110(e), concerning rules governing disposition of school property under the elementary and secondary education school laws, is amended to read as follows:

(e) The State Board of Education shall establish rules ~~and regulations~~ consistent with the provisions of this section regarding the disposition of public property by public educational entities.

SECTION 302. Arkansas Code § 6-21-404(a)(1), concerning the duties of the State Board of Education under the Free Textbook Act of 1975, is amended to read as follows:

(1) Make rules ~~and regulations~~ to implement this subchapter;

SECTION 303. Arkansas Code § 6-21-409(a), concerning the State Board of Education assessment of damages for a publisher's failure to comply under the Free Textbook Act of 1975, is amended to read as follows:

(a) The State Board of Education is authorized to assess any publisher any amount of damages to the State of Arkansas for failure to comply with the terms of this subchapter or any published ~~regulation~~ rule of the state board, provided that the publisher has been given a hearing before the state board regarding the assessment of damages.

SECTION 304. Arkansas Code § 6-21-702(b), concerning the purpose of the School Motor Vehicle Insurance Act, is amended to read as follows:

(b) The State Insurance Department shall adopt such rules ~~and regulations~~ as may be necessary to provide for the insuring of motor vehicles owned by participating public school districts within the State of Arkansas.

SECTION 305. Arkansas Code § 6-21-709(e), concerning payment of claims, subrogation, premium rate, and excess insurance under the Public School Motor Vehicle Insurance Act, is amended to read as follows:

(e) The department's rules ~~and regulations~~ shall include such items as payment of premium and other pertinent items with reference to the premium rate, but its requirements shall not be more stringent than practices of commercial companies writing similar insurance in Arkansas.

SECTION 306. Arkansas Code § 6-21-811(g)(5), concerning the academic facilities distress program under the Arkansas Public School Academic Facilities Program Act, is amended to read as follows:

(5) Waive the application of Arkansas law or the corresponding State Board of Education rules ~~and regulations~~, with the exception of:

(A) The Teacher Fair Dismissal Act of 1983, § 6-17-1501 et seq.; and

(B) The Public School Employee Fair Hearing Act, § 6-17-1701 et seq.;

SECTION 307. Arkansas Code § 6-22-103(2) and (3), concerning the definitions of "interscholastic activity" and "registered volunteer" under the Arkansas Registered Volunteers Program Act, are amended to read as follows:

(2) "Interscholastic activity" means any interschool activity that is outside the regular curriculum, including, but not limited to, sports and special interest clubs or groups which are subject to ~~regulations~~ rules of the Arkansas Activities Association;

(3) "Registered volunteer" means any volunteer who, subject to Arkansas Activities Association ~~regulations and~~ rules and rules set by the local school district, is given written authorization by the school district to lead extracurricular activities or to assist a staff member who is a licensed employee of the school district in extracurricular activities or interscholastic activities; and

SECTION 308. Arkansas Code § 6-23-105(a)(3), concerning the basis and procedure for public charter school probation or charter modification, revocation, or denial of renewal under the Arkansas Quality Charter Schools

Act of 2013, is amended to read as follows:

(3) Failed to comply with this chapter or other applicable law or ~~regulation~~ rule; or

SECTION 309. Arkansas Code § 6-23-201(b)(6), concerning the application for conversion to public charter school status under the Arkansas Quality Charter Schools Act of 2013, is amended to read as follows:

(6) List the specific provisions of this title and the specific rules ~~and regulations~~ promulgated by the state board from which the conversion public charter school will be exempt.

SECTION 310. Arkansas Code § 6-23-206 is amended to read as follows:

6-23-206. Rules ~~and regulations~~.

The State Board of Education is authorized and directed to establish rules ~~and regulations~~ for conversion public charter schools.

SECTION 311. Arkansas Code § 6-23-302(c)(4), concerning the application for open-enrollment public charter school under the Arkansas Quality Charter Schools Act of 2013, is amended to read as follows:

(4) List the specific provisions of this title and the specific rules ~~and regulations~~ promulgated by the state board from which the open-enrollment public charter school seeks to be exempted;

SECTION 312. Arkansas Code § 6-23-309 is amended to read as follows:

6-23-309. Rules ~~and regulations~~.

The State Board of Education is authorized to promulgate rules ~~and regulations~~ for the creation of open-enrollment public charter schools.

SECTION 313. The introductory language of Arkansas Code § 6-23-401(b), concerning the authority under a charter for open-enrollment public charter schools under the Arkansas Quality Charter Schools Act of 2013, is amended to read as follows:

(b) An open-enrollment public charter school is subject to any prohibition, restriction, or requirement imposed by this title and any rule ~~and regulation~~ promulgated by the State Board of Education under this title relating to:

SECTION 314. Arkansas Code § 6-23-507 is amended to read as follows:

6-23-507. Rules ~~and regulations~~.

The State Board of Education shall have the authority to promulgate rules ~~and regulations~~ in accordance with other state and federal statutes and regulations to implement this subchapter and § 6-23-402.

SECTION 315. Arkansas Code § 6-24-104(b), concerning ethical guidelines and prohibitions under the elementary and secondary education school laws, is amended to read as follows:

(b) While serving as a board member, administrator, or employee, an individual shall not accept employment, contract, or engage in any public or professional activity that a reasonable person would expect might require or induce him or her to disclose any information acquired by the member by reason of his or her official position that is declared by law or ~~regulation~~ rule to be confidential.

SECTION 316. Arkansas Code § 6-24-112(d), concerning gratuities and kickbacks under the elementary and secondary education school laws, is amended to read as follows:

(d) The State Board of Education shall issue specific rules ~~and regulations~~ regarding educational or work-related travel, conventions, seminars, and other benefits provided by vendors.

SECTION 317. Arkansas Code § 6-24-119 is amended to read as follows:

6-24-119. Rules ~~and regulations~~.

In order to administer the provisions of this chapter, the State Board of Education shall adopt rules ~~and regulations~~ consistent with the provisions and intent of this chapter.

SECTION 318. Arkansas Code § 6-41-207(c), concerning the duties of the State Board of Education under the Children with Disabilities Act of 1973, is amended to read as follows:

(c) The board shall make the necessary rules ~~and regulations~~ in keeping with the provisions of this subchapter and shall employ the necessary personnel for the proper administration of this subchapter if funds are made

available for this purpose.

SECTION 319. Arkansas Code § 6-41-207(e), concerning the duties of the State Board of Education under the Children with Disabilities Act of 1973, is amended to read as follows:

(e) The board, in keeping with federal requirements, is designated as the agency having general educational supervision over public agencies which provide educational services to children with disabilities as defined in this subchapter to ensure that each public agency complies with state rules and federal regulations pursuant to the education of children with disabilities.

SECTION 320. Arkansas Code § 6-41-207(f)(1), concerning the duties of the State Board of Education under the Children with Disabilities Act of 1973, is amended to read as follows:

(f)(1) The board, in compliance with federal enforcement requirements, is authorized to disallow the generation of all state aid to children with disabilities to any local school district or education service cooperative that fails to comply with state rules and federal regulations, as determined by independent hearing officers, agency hearing decisions, agency complaint investigation decisions, agency compliance monitoring reports, or agency jurisdictional decisions.

SECTION 321. Arkansas Code § 6-41-211(g)(2), concerning the Advisory Council for the Education of Children with Disabilities under the Children with Disabilities Act of 1973, is amended to read as follows:

(2) Comment publicly on any rules ~~or regulations~~ proposed by the state regarding the education of children with disabilities;

SECTION 322. Arkansas Code § 6-41-215(b), concerning tests and examinations and evaluation of children under the Children with Disabilities Act of 1973, is amended to read as follows:

(b) The tests and examinations shall be administered in accordance with rules ~~and regulations~~ of the State Board of Education.

SECTION 323. Arkansas Code § 6-41-216(c)(1), concerning tests and evaluations, hearings and the change of a child's status under the Children

with Disabilities Act of 1973, is amended to read as follows:

(c)(1) The board shall prescribe rules ~~and regulations~~ governing hearings and appeals.

SECTION 324. Arkansas Code § 6-41-903(b)(7), concerning the Succeed Scholarship Program and private school eligibility under the special educational programs laws, is amended to read as follows:

(7) Complies with all state laws and ~~regulations~~ rules governing private schools; and

SECTION 325. Arkansas Code § 6-42-102 is amended to read as follows:

6-42-102. Rules ~~and regulations~~ — Reports.

The State Board of Education shall have the authority to promulgate such rules ~~and regulations~~ and require such reports as it deems advisable.

SECTION 326. Arkansas Code § 6-42-104(h)(1), concerning the Advisory Council for the Education of Gifted and Talented Children under the special educational programs laws, is amended to read as follows:

(1) Have an opportunity to comment on rules ~~and regulations~~ proposed for issuance pursuant to this subchapter;

SECTION 327. Arkansas Code § 6-42-106(a)(1), concerning the funding and eligibility of gifted and talented programs under the special educational programs laws, is amended to read as follows:

(a)(1) Appropriations made by the General Assembly to the Public School Fund for the purposes of this subchapter shall be disbursed by the Department of Education in accordance with ~~regulations~~ rules promulgated by the State Board of Education.

SECTION 328. Arkansas Code § 6-43-106(e), concerning out-of\- state facilities for deaf and blind children under the special educational programs laws, is amended to read as follows:

(e) The school is authorized to promulgate such rules ~~and regulations~~ as it deems necessary and proper for carrying out the purposes and intent of this section.

SECTION 329. Arkansas Code § 6-43-108(a)(1), concerning the removal of pupils from the Arkansas School for the Blind and the Arkansas School for the Deaf under the special educational programs laws, is amended to read as follows:

(a)(1) Whenever it shall be deemed necessary by the proper officers of either of the schools, in accordance with the bylaws and ~~regulations~~ rules thereof, to have pupils removed, either temporarily on account of ill health or the vacation of the school, or permanently on account of having completed their course of instruction or having been found disqualified, from any cause, for a longer continuance in the school, the parents, or guardians, if they have any, of such pupils shall promptly remove them upon the requirement of the officers.

SECTION 330. Arkansas Code § 6-43-203 is amended to read as follows:

6-43-203. ~~Regulations~~ Rules.

The Board of Trustees of the Arkansas School for the Blind shall make all ~~regulations~~ rules necessary for the government of the institution not otherwise provided by law, and it shall incorporate the ~~regulations~~ rules in the next report it makes after the promulgation of the ~~regulations~~ rules to the General Assembly.

SECTION 331. Arkansas Code § 6-43-317(a)(2), concerning boarding and lodging of students of the Arkansas School for the Deaf under the special educational programs laws, is amended to read as follows:

(2) He or she shall receive into the school other hearing-impaired persons according to such ~~regulations~~ rules as the Board of Trustees of the Arkansas School for the Deaf may prescribe.

SECTION 332. Arkansas Code § 6-45-105(b), concerning establishment of the Arkansas Better Chance Program under the Arkansas Better Change Program Act, is amended to read as follows:

(b) The programmatic standards and other rules ~~and regulations~~ necessary for the implementation of the Arkansas Better Chance Program shall be adopted by the State Board of Education in accordance with the provisions of the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 333. Arkansas Code § 6-46-302(a), concerning administration and rules of the Arkansas High Technology Training Center under the special educational programs laws, is amended to read as follows:

(a) The Department of Career Education shall supervise the Arkansas High Technology Training Center and is hereby authorized and empowered to promulgate rules ~~and regulations~~ that may be necessary to carry out the provisions of this chapter.

SECTION 334. Arkansas Code § 6-47-201(b), concerning administration in elementary schools of distance learning under the special educational programs laws, is amended to read as follows:

(b) The department shall promulgate rules ~~and regulations~~ establishing appropriate adult supervision.

SECTION 335. Arkansas Code § 6-47-405 is amended to read as follows:

6-47-405. Rules ~~and regulations~~.

The State Board of Education shall promulgate rules ~~and regulations~~ necessary for the implementation of this subchapter.

SECTION 336. Arkansas Code § 6-50-203(l), concerning administration of the Arkansas Technical Careers Student Loan Forgiveness Program under the vocational and technical education laws, is amended to read as follows:

(l) To adopt rules ~~and regulations~~ for the administration of the program consistent with the provisions of this subchapter;

SECTION 337. Arkansas Code § 6-50-206(a)(3), concerning the initial certification of eligibility for the Arkansas Technical Careers Student Loan Forgiveness Program by the State Board of Career Education under the vocational and technical education laws, is amended to read as follows:

(3) Have a grade point average as required in the rules ~~and regulations~~ for administration of this loan forgiveness program for the specified technical field; and

SECTION 338. Arkansas Code § 6-50-207(b)(1), concerning the amount of loan forgiveness under the Arkansas Technical Careers Student Loan Forgiveness Program under the vocational and technical education laws, is

amended to read as follows:

(1) Four (4) years for a bachelor's degree or its equivalent as determined by rules ~~and regulations~~;

SECTION 339. Arkansas Code § 6-50-207(c), concerning the amount of loan forgiveness under the Arkansas Technical Careers Student Loan Forgiveness Program under the vocational and technical education laws, is amended to read as follows:

(c) With input from the Department of Higher Education and other appropriate entities, the State Board of Career Education shall establish through rules ~~and regulations~~ loan forgiveness amounts for approved technical education programs for students enrolled on a less than full-time basis.

SECTION 340. Arkansas Code § 6-50-505(a), concerning waiver of regulations, articulation agreements and duties of State Board of Career Education under the Arkansas Youth Apprenticeship/Work-Based Learning Act of 1991, is amended to read as follows:

(a) The State Board of Career Education may provide waivers of ~~regulations~~ rules adopted by the Department of Career Education when waivers are necessary to accomplish the purposes of this subchapter so long as the waivers will not weaken the quality of the educational opportunities provided.

SECTION 341. Arkansas Code § 6-50-505(c), concerning waiver of regulations, articulation agreements and duties of State Board of Career Education under the Arkansas Youth Apprenticeship/Work-Based Learning Act of 1991, is amended to read as follows:

(c) The board is authorized to promulgate rules ~~and regulations~~ for the implementation of the program established by this subchapter.

SECTION 342. Arkansas Code § 6-50-704(b)(8), concerning rules and regulations for the Arkansas Existing Workforce Training Act of 1995, is amended to read as follows:

(8) Neither grant funds nor tax credits shall be used to support any training that is mandated by any state law, state rule, ~~or~~ federal law, or federal regulation.

SECTION 343. Arkansas Code § 6-51-203(d), concerning determining vocational and technical school location and establishing courses of instruction under the vocational and technical education laws, is amended to read as follows:

(d) The Arkansas Higher Education Coordinating Board and the State Board of Career Education shall promulgate rules ~~and regulations~~ for implementation of the provisions of this section in accordance with the accreditation standards of the receiving institutions.

SECTION 344. Arkansas Code § 6-51-205(c), concerning board responsibility for vocational and technical school operation, personnel and equipment under the vocational and technical education laws, is amended to read as follows:

(c) All laws governing the employment of personnel of the department, including such matters as leave ~~regulations~~ rules and teacher retirement membership, shall apply to employees of all vocational-technical and adult education schools.

SECTION 345. Arkansas Code § 6-51-209(b), concerning accident insurance for students under the vocational and technical education laws, is amended to read as follows:

(b) Such purchases shall follow regular state purchasing procedures and ~~regulations~~ rules.

SECTION 346. Arkansas Code § 6-51-213(b)(7), concerning administration of certain federal and state vocational education laws, is amended to read as follows:

(7) Establish and determine by general ~~regulations~~ rules the qualifications to be possessed by persons engaged in the training of vocational teachers.

SECTION 347. Arkansas Code § 6-51-213(c)(2), concerning administration of certain federal and state vocational education laws, is amended to read as follows:

(2) The director shall also carry into effect rules ~~and~~

~~regulations~~ as the board may require.

SECTION 348. Arkansas Code § 6-51-305(a)(1), concerning financing of vocational centers under the vocational and technical education laws, is amended to read as follows:

(a)(1) Vocational centers shall be financed with a combination of training fees from schools sending students and vocational center aid from the Public School Fund according to rules ~~and regulations~~ promulgated by the State Board of Career Education.

SECTION 349. Arkansas Code § 6-51-401(g), concerning the course of instruction for the plumbing program set up by the Department of Career Education under the vocational and technical education laws, is amended to read as follows:

(g) The course of instruction shall be in compliance with the appropriate rules ~~and regulations~~ and shall provide the level of instruction provided by rules of the board in cooperation with local plumbing training committees.

SECTION 350. Arkansas Code § 6-51-505 is amended to read as follows:

6-51-505. Applicability of state purchasing law ~~and regulations~~.

All building materials, supplies, and fixtures used in the construction of a dwelling unit or other building project as authorized in this subchapter shall be purchased by the school:

(1) If the school is a technical institute, in accordance with the state purchasing law and ~~regulations~~ rules; and

(2) If the school is a secondary area technical center, in accordance with the purchasing laws and ~~regulations~~ rules governing its administrative sponsor.

SECTION 351. Arkansas Code § 6-51-701(d), concerning establishment of the Associate of Applied Science Degree in Nursing Program under the vocational and technical education laws, is amended to read as follows:

(d)(1) The State Board of Career Education is authorized to promulgate rules ~~and regulations~~ necessary to implement this subchapter.

(2) The rules ~~and regulations~~ shall comply with the Arkansas

Administrative Procedure Act, § 25-15-201 et seq.

SECTION 352. Arkansas Code § 6-51-904(c), concerning duties of the local board for technical institutes for postsecondary vocational and technical education under the vocational and technical education laws, is amended to read as follows:

(c) The local board may make rules ~~and regulations~~ not inconsistent with the provisions of this subchapter or inconsistent with the rules ~~and regulations~~ of the state board as are necessary for the proper administration and operation of the institution.

SECTION 353. Arkansas Code § 6-53-210(b), concerning transfers to system after July 1, 1991, under the Two-Year Postsecondary Education Reorganization Act of 1991, is amended to read as follows:

(b) Upon completion of the transfer to the system, the institution shall be subject to the same laws, procedures, and rules~~, and regulations~~ as all other institutions under the jurisdiction of the board.

SECTION 354. Arkansas Code § 6-53-302(h), concerning local administration of technical colleges under the Two-Year Postsecondary Education Reorganization Act of 1991, is amended to read as follows:

(h) The local board may make rules ~~and regulations~~ not inconsistent with the provisions of this chapter or inconsistent with the rules ~~and regulations~~ of the state board as are necessary for the proper administration and operation of the technical college.

SECTION 355. Arkansas Code § 6-53-503(a), concerning applications for grants for tech-prep education under the Two-Year Postsecondary Education Reorganization Act of 1991, is amended to read as follows:

(a) Each consortium that desires to receive a grant under this subchapter shall submit an application to the director or the state board, as appropriate, at such time and in such manner as the state board shall prescribe through rule ~~or regulation~~.

SECTION 356. Arkansas Code § 6-55-106(b), concerning the permit surcharge to fund The Arkansas Construction Industry Craft Training Program

under the Arkansas Construction Industry Craft Training Act, is amended to read as follows:

(b) The office of the political subdivision issuing the permit shall be responsible for collecting the surcharge and remitting it monthly to the Department of Finance and Administration under such rules ~~and regulations~~ as the Chief Fiscal Officer of the State may prescribe for the collection, enforcement, and administration of the proceeds of the surcharge and shall retain five percent (5%) of each permit surcharge collected for the cost of administration.

SECTION 357. Arkansas Code § 6-55-107(b)(3), concerning the Arkansas Construction Industry Craft Training Trust Fund under The Arkansas Construction Industry Craft Training Act and apprenticeship program requirements, is amended to read as follows:

(3) A training strategy with requirements that are clearly delineated in federal ~~and state~~ laws and regulations<u>, and state laws and rules</u>;

SECTION 358. Arkansas Code § 6-58-104(b)(2), concerning the effect of the merger on employees of Quapaw Technical Institute or Garland County Community College under the vocational and technical education laws, is amended to read as follows:

(2) The Board of Trustees of National Park College shall promulgate rules ~~and regulations~~ establishing the procedure for employees to exercise benefit options under this subsection.

SECTION 359. Arkansas Code § 6-59-104(b)(2), concerning effect of merger of Cotton Boll Technical Institute and Arkansas Northeastern College on employees under the vocational and technical education laws, is amended to read as follows:

(2) The Board of Trustees of Arkansas Northeastern College shall promulgate rules ~~and regulations~~ establishing the procedure for employees to exercise equal benefit options under this subsection.

SECTION 360. Arkansas Code § 6-60-102(e), concerning consolidations and mergers of public higher education resources under the postsecondary and

higher education laws, is amended to read as follows:

(e) The board, in consultation with the public colleges and universities, is authorized to develop policies~~,~~ and rules~~, and regulations~~ to implement the provisions of this section.

SECTION 361. Arkansas Code § 6-60-104(e), concerning social media accounts of current and prospective students or employees under the postsecondary and higher education laws, is amended to read as follows:

(e) Nothing in this section prevents an institution of higher education from complying with the requirements of federal laws or regulations, or state laws~~,~~ or rules~~, or regulations~~.

SECTION 362. Arkansas Code § 6-60-201(a), concerning regulation of admission and enrollment of out-of-state students under the postsecondary and higher education laws, is amended to read as follows:

(a) The board of trustees of each educational institution of higher learning supported, in whole or in part, by the State of Arkansas, shall have the right to adopt rules ~~and regulations~~ for the admission and enrollment of students in the respective institutions of higher learning under the control of such board, expressly including the right to refuse admission and enrollment to any person who comes to the State of Arkansas solely for the purpose of securing admission, enrollment, and educational advantages at the expense of the State of Arkansas.

SECTION 363. Arkansas Code § 6-60-211(b), concerning tuition waivers and assistance for Arkansas National Guard soldiers and airmen under the postsecondary and higher education laws, is amended to read as follows:

(b)(1) The Adjutant General of Arkansas shall establish and publish ~~regulations~~ rules for the eligibility and implementation of tuition assistance programs sponsored by the armed services.

(2) The Adjutant General's ~~regulations~~ rules shall conform to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

(3) The Adjutant General shall provide each postsecondary institution of higher learning located in the State of Arkansas a copy of the ~~regulations~~ rules within thirty (30) days after publication.

SECTION 364. Arkansas Code § 6-60-503(a), concerning enforcement rules regarding immunization under the postsecondary and higher education laws, is amended to read as follows:

(a) The State Board of Health is empowered to promulgate rules ~~and regulations~~ for the proper enforcement of the provisions of this subchapter, including, but not limited to, the authority to examine records and conduct investigations to assure compliance.

SECTION 365. Arkansas Code § 6-60-504(b)(2)(A) and (B), concerning physical disabilities and religious objections under the postsecondary and higher education laws, are amended to read as follows:

(2)(A) The individual shall complete an annual application process developed in the rules ~~and regulations~~ of the department for medical, religious, and philosophical exemptions.

(B) The rules ~~and regulations~~ developed by the department for medical, religious, and philosophical exemptions shall include, but not be limited to:

(i) A notarized statement requesting a religious, philosophical, or medical exemption from the department by the individual regarding the objection;

(ii) Completion of an educational component developed by the department that includes information on the risks and benefits of vaccination;

(iii) An informed consent from the individual that shall include a signed statement of refusal to vaccinate based on the department's refusal-to-vaccinate form; and

(iv) A signed statement of understanding that:

(a) At the discretion of the department, the unimmunized child or individual may be removed from day care or school during an outbreak if the child or individual is not fully vaccinated; and

(b) The child or individual shall not return to school until the outbreak has been resolved and the department approves the return to school.

SECTION 366. Arkansas Code § 6-61-220(d), concerning retention and graduation rate information for the Arkansas Higher Education Coordinating

Board under the postsecondary and higher education laws, is amended to read as follows:

(d) The board is hereby authorized to promulgate rules ~~and regulations~~ consistent with the intent and purpose of this section.

SECTION 367. Arkansas Code § 6-61-222(a)(4), concerning uniform reporting standards of the Arkansas Higher Education Coordinating Board under the postsecondary and higher education laws, is amended to read as follows:

(4) The board is authorized to promulgate any rules ~~or regulations~~ necessary for the implementation of this section and shall report to the House Committee on Education and the Senate Committee on Education the failure of an institution to comply with the provisions of this section.

SECTION 368. Arkansas Code § 6-61-301(d)(5), concerning incorporation of postsecondary institutions under the postsecondary and higher education laws, is amended to read as follows:

(5) The Arkansas Higher Education Coordinating Board shall have the power, after giving thirty (30) days' notice in writing to the trustees to show cause why such action should not be taken, to revoke any certification issued by the Arkansas Higher Education Coordinating Board whenever the Arkansas Higher Education Coordinating Board shall find, after proper investigation, that the institution is conferring degrees or diplomas without requiring sufficient work therefor or is in violation of any of the provisions of the laws of this state or the ~~regulations~~ rules of the Arkansas Higher Education Coordinating Board relative thereto.

SECTION 369. Arkansas Code § 6-61-303(b), concerning expansion of institutions of postsecondary institutions under the postsecondary and higher education laws, is amended to read as follows:

(b)(1) The board is authorized to promulgate and adopt reasonable rules, ~~regulations,~~ criteria, guidelines, and standards to be followed by the respective state-supported institutions of higher learning and to be applied by the board with respect to the planning, establishment, location, or development of any branch campus of the existing state-supported institutions of higher learning or community colleges.

(2) The standards, rules, ~~regulations,~~ criteria, and guidelines

shall be developed and approved after public hearings held by the board in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

(3) Upon the development and adoption thereof, the standards, rules, ~~regulations,~~ criteria, and guidelines shall be followed by the board in reviewing, rejecting, or approving the establishment and location of all future branch campuses of existing state-supported institutions of higher learning or community colleges.

SECTION 370. Arkansas Code § 6-61-303(c)(2), concerning expansion of institutions of postsecondary institutions under the postsecondary and higher education laws, is amended to read as follows:

(2) The board shall review the application in accordance with the standards, rules ~~and regulations~~, criteria, and guidelines promulgated by the board and may grant the application only if the establishment of a branch campus is within these guidelines and standards.

SECTION 371. Arkansas Code § 6-61-401(b)(2), concerning the State Student Incentive Grant Program under the postsecondary and higher education laws, is amended to read as follows:

(2) Specifically, but without limiting any other authority, powers, or duties as assigned in this section, the board is authorized, empowered, and directed to operate the State Student Incentive Grant Program and to make and cancel grants to individual students according to rules ~~and regulations~~ of the board.

SECTION 372. Arkansas Code § 6-61-521(13), concerning the powers and duties of local boards of community colleges under the postsecondary and higher education laws, is amended to read as follows:

(13) To make rules ~~and regulations~~ not inconsistent with the provisions of this section, §§ 6-61-101 — 6-61-103, 6-61-201 — 6-61-209, 6-61-212 — 6-61-216, 6-61-301 — 6-61-305, 6-61-401, 6-61-402, 6-61-501 — 6-61-520, 6-61-522 — 6-61-524, and 6-61-601 — 6-61-603 or with the rules ~~and regulations~~ of the Arkansas Higher Education Coordinating Board as are necessary for the proper administration and operation of the community college; and

SECTION 373. Arkansas Code § 6-62-105(d), concerning private borrowing by institutions of higher education under the postsecondary and higher education laws, is amended to read as follows:

(d) The Chief Fiscal Officer of the State shall promulgate rules ~~and regulations~~ necessary for the implementation of this section.

SECTION 374. Arkansas Code § 6-62-311 is amended to read as follows:

6-62-311. Rents, tolls, fees, etc. — Rules ~~and regulations~~ authorized.

The board of trustees is further authorized and empowered to fix the rents, tolls, fees, other charges, activity fees, and gate receipts of athletic contests and to make and to enforce the rules ~~and regulations~~ with reference to or in connection with any building or structure authorized to be constructed, reconstructed, enlarged, repaired, or equipped and with reference to the use thereof as the board may deem desirable for the welfare of the institution or its student body.

SECTION 375. Arkansas Code § 6-62-312(c)(2), concerning valid outstanding obligations, refinancing or refunding cancellation of financing for state-supported institutions of higher education under the postsecondary and higher education laws, is amended to read as follows:

(2) If the obligations to be refunded are redeemable before maturity and have been duly called for payment in accordance with their terms, the refunding obligations may be executed and deposited with an escrow agent designated by the board, which escrow agent shall be a bank or trust company whose trust funds are secured in the manner provided by the ~~national~~ federal laws or regulations, or state banking laws and ~~regulations~~ rules thereunder, under an agreement with the escrow agent to deliver them to the purchaser on payment of the purchase price in full and in cash at least five (5) days before the redemption date of the obligations called and to remit promptly the proceeds to the paying agent of the outstanding obligations for payment thereof, provided that the board shall deposit with the escrow agent for delivery also to the paying agent any additional funds required to make payment in full of the principal of and interest on and paying agent's fees of the bonds so called for redemption. When the outstanding bonds have been paid, they shall be cancelled and destroyed.

SECTION 376. Arkansas Code § 6-62-705(b), concerning power and duties of the Arkansas Development Finance Authority and the Arkansas Higher Education Coordinating Board under the Arkansas College Savings Bond Act of 1989, is amended to read as follows:

(b) The state board and the authority are authorized to promulgate rules ~~and regulations~~ with respect to their powers and duties pursuant to this subchapter.

SECTION 377. Arkansas Code § 6-62-726(a), concerning rules for the appropriation for college savings bonds under the Arkansas College Savings Bond Act of 1989, is amended to read as follows:

(a) The Department of Higher Education or other agency to which the appropriation for college savings bonds is provided shall adopt rules ~~and regulations~~ for the allocation of the funds reappropriated for the development of projects at state institutions of higher education and the payment of project costs and expenses of the issuance of the bonds under this subchapter in order to ensure that funds are allocated and expended in a manner consistent with the applicable provisions of the Internal Revenue Code, 26 U.S.C. § 1 et seq.

SECTION 378. Arkansas Code § 6-62-806(a), concerning rules for nondiscriminatory application in athletic programs under the postsecondary and higher education laws, is amended to read as follows:

(a) The Arkansas Higher Education Coordinating Board is authorized to promulgate any rules ~~or regulations~~ necessary for the implementation of this subchapter.

SECTION 379. Arkansas Code § 6-62-1003(b)(3), concerning private, municipal or self-funded coverage for workers' compensation insurance under the postsecondary and higher education laws, is amended to read as follows:

(3) Any self-funding group of participating public institutions of higher education shall be subject to the ~~regulations~~ <u>rules</u> of the commission applicable to self-insured groups or providers;

SECTION 380. Arkansas Code § 6-63-602(f), concerning the

administration of the catastrophic leave bank program under the postsecondary and higher education laws, is amended to read as follows:

(f) The Director of the Department of Finance and Administration or his or her designee shall promulgate necessary rules ~~and regulations~~ as deemed necessary to carry out the provisions of this section.

SECTION 381. Arkansas Code § 6-64-104(b), concerning radio broadcasts of football and basketball games of the University of Arkansas under the postsecondary and higher education laws, is amended to read as follows:

(b) However, no discrimination shall be made against any licensed radio broadcasting station in this state with respect to the access to and the rights to radio broadcast football or basketball games in accordance with a schedule of fees, standards, rules, and regulations promulgated by the department making these broadcasts accessible and available to each Arkansas radio broadcasting station that desires to broadcast these games.

SECTION 382. Arkansas Code § 6-64-203 is amended to read as follows:

6-64-203. Rules ~~and regulations~~.

The Board of Trustees of the University of Arkansas shall have power to prescribe all rules ~~and regulations~~ for the government and discipline of the University of Arkansas, subject to the provisions of this subchapter and such other acts of the General Assembly as may be prescribed.

SECTION 383. Arkansas Code § 6-64-405(d), concerning University of Arkansas College of Medicine Admissions Board under the postsecondary and higher education laws, is amended to read as follows:

(d) The University of Arkansas College of Medicine Admissions Board shall promulgate reasonable rules ~~and regulations~~ necessary to the fair and competitive selection of freshmen medical students with due consideration being given scholastic standings, recommendations of the premedical advisory committees of the various schools where the applicants pursue their premedical studies, their performance on the Medical College Admission Test, and any other procedures that can be developed that would deal fairly with the applicant group as a whole.

SECTION 384. Arkansas Code § 6-64-411(b), concerning establishment of

the School of Dental Hygiene under the postsecondary and higher education laws, is amended to read as follows:

(b) The board shall establish rules ~~and regulations~~ governing admissions to the University of Arkansas School of Dental Hygiene, programs of instruction therein, and the qualifications and requirements for a degree or certificate. However, rules ~~and regulations~~ for admissions, courses or programs of clinical instruction, and degrees or certificates for graduation therefrom shall be in accordance with the standards established by the recognized national accreditation association of dental hygiene schools or programs.

SECTION 385. Arkansas Code § 6-65-106 is amended to read as follows:

6-65-106. Labor at schools performed by students.

All work in, on, and about schools, or on the farms, or on or in the barns connected with the schools, whether it is farming, building, care of stock, or whatever kind of work, shall be performed by students of each school under such ~~regulations~~ rules for the proper divisions and alterations in the work as may be provided by the trustees.

SECTION 386. Arkansas Code § 6-65-213 is amended to read as follows:

6-65-213. ASU-Beebe — Labor performed by students.

All work in, on, or about Arkansas State University-Beebe, or on the farm, or on or in the barns or poultry yards connected with the university, whether it is farming, building, care of stock, or work of whatsoever kind, shall be performed by students of the university under such ~~regulations~~ rules as the Board of Trustees of Arkansas State University may provide.

SECTION 387. Arkansas Code § 6-65-221 is amended to read as follows:

6-65-221. Arkansas State Technical Institute — Operations generally.

The chief administrative officer of the Arkansas State Technical Institute shall be responsible to the Chancellor of Arkansas State University-Beebe and the President of Arkansas State University and Board of Trustees of Arkansas State University for the operation of the institute within the rules~~, regulations,~~ and procedures adopted by the board.

SECTION 388. Arkansas Code § 6-65-222 is amended to read as follows:

6-65-222. Arkansas State Technical Institute — Admissions, advanced placement, etc.

The Board of Trustees of Arkansas State University, upon the recommendation of the advisory council established in § 6-65-219 [repealed], shall adopt rules, ~~regulations,~~ procedures, and requirements for admission to, and advanced placement and continuation in, the Arkansas State Technical Institute.

SECTION 389. Arkansas Code § 6-65-303(b), concerning the Hot Springs Branch of the Arkansas Tech University under the postsecondary and higher education laws, is amended to read as follows:

(b) The board is authorized to establish appropriate rules ~~and regulations~~ for the operation of that campus.

SECTION 390. Arkansas Code § 6-65-404(b), concerning SAU-Tech under the postsecondary and higher education laws, is amended to read as follows:

(b) The board, through the president, is authorized to establish appropriate rules ~~and regulations~~ for the operation of SAU-Tech.

SECTION 391. Arkansas Code § 6-66-102(d)(4), concerning the powers and duties of the Board of Trustees of Henderson State University under the postsecondary and higher education laws, is amended to read as follows:

(4) Admission requirements shall be established by the board in accordance with policies adopted by the board and consistent with the laws and ~~regulations~~ rules of this state.

SECTION 392. Arkansas Code § 6-67-103(d)(4), concerning powers and duties of the Board of Trustees of the University of Central Arkansas under the postsecondary and higher education laws, is amended to read as follows:

(4) Admission requirements shall be established by the board, in accordance with policies adopted by the board, consistent with the laws and ~~regulations~~ rules of this state.

SECTION 393. Arkansas Code § 6-67-106 is amended to read as follows:

6-67-106. Model school.

The Board of Trustees of the University of Central Arkansas may provide for the establishment of a model school for practice in connection with the University of Central Arkansas and shall make the necessary ~~regulations~~ rules for the government and support of the model school.

SECTION 394. Arkansas Code § 6-81-406 is amended to read as follows:

6-81-406. ~~Regulations~~ Rules as to repayment.

The Board of Trustees of the University of Arkansas shall establish ~~regulations~~ rules regarding the manner and time of the repayment of the note.

SECTION 395. Arkansas Code § 6-81-603(a), concerning the administration of the Teacher Opportunity Program under the postsecondary and higher education laws, is amended to read as follows:

(a) The Teacher Opportunity Program shall be administered by the Department of Higher Education, which shall have the authority to establish necessary rules, ~~regulations,~~ procedures, and selection criteria for the administration of the program and to designate necessary forms and schedules.

SECTION 396. Arkansas Code § 6-81-1101(e)(3), concerning tuition assistance for certain professional schools under the postsecondary and higher education laws, is amended to read as follows:

(3) The department shall promulgate such rules ~~and regulations~~ as are necessary to implement the provisions of this section.

SECTION 397. The introductory language of Arkansas Code § 6-81-1202(b)(1), concerning the Graduate Nurse Educator Loan and Scholarship Board under the postsecondary and higher education laws, is amended to read as follows:

(1) Promulgate reasonable rules ~~and regulations~~ as may be necessary to execute the provisions of this subchapter, including ~~regulations~~ rules addressing:

SECTION 398. Arkansas Code § 6-81-1301(h)(2), concerning the establishment of the University Assisted Teacher Recruitment and Retention Grant Program within the Department of Higher Education under the postsecondary and higher education laws, is amended to read as follows:

(2) The Department of Higher Education shall promulgate rules ~~and regulations~~ necessary for the administration of the relocation expense reimbursement component of the program.

SECTION 399. Arkansas Code § 6-82-103(b), concerning out-of-state tuition waivers under the postsecondary and higher education laws, is amended to read as follows:

(b) The part that is waived shall not be considered as an expenditure by any ~~regulation~~ rule of the Arkansas Higher Education Coordinating Board.

SECTION 400. Arkansas Code § 6-82-105(2), concerning the authority of the Department of Higher Education to administer all state college financial assistance programs provided by legislation or by law under the postsecondary and higher education laws, is amended to read as follows:

(2) Establish and consult, as necessary, an advisory committee representing the private and public sectors of postsecondary education in determining guidelines and ~~regulations~~ rules for administration of the student financial aid programs, including, but not limited to, rules determining academic ability, financial need, and residency;

SECTION 401. The introductory language of Arkansas Code § 6-82-307, concerning the responsibilities of an applicant, is amended to read as follows:

6-82-307. Applicant's responsibilities.

Each applicant shall, in accordance with the provisions of this subchapter and the rules ~~and regulations~~ of the Department of Higher Education:

SECTION 402. Arkansas Code § 6-82-308(b)(2), concerning the number of scholarships awarded relative to the number of Arkansas Academic Challenge Scholarship recipients under the postsecondary and higher education laws, is amended to read as follows:

(2) Should a shortfall of funds be projected, the Department of Higher Education shall promulgate rules for the priority funding of these scholarships and submit these proposed rules to the Arkansas Higher Education Coordinating Board for a public hearing and to the Administrative Rules ~~and~~

~~Regulations~~ Subcommittee of the Legislative Council for review before implementing the rules.

SECTION 403. Arkansas Code § 6-82-403(2), concerning the administration of the Arkansas High Technology Scholarship Program under the postsecondary and higher education laws, is amended to read as follows:

(2) To establish and consult as necessary with an advisory committee representing the public and private sectors of postsecondary education and secondary schools in determining guidelines and ~~regulations~~ rules for the administration of this program;

SECTION 404. The introductory language of Arkansas Code § 6-82-405, concerning the responsibilities of an applicant, is amended to read as follows:

6-82-405. Applicant's responsibilities.

Each applicant shall, in accordance with the provisions of this subchapter and the rules ~~and regulations~~ of the Department of Career Education:

SECTION 405. Arkansas Code § 6-82-502 is amended to read as follows:

6-82-502. Rules ~~and regulations~~.

The Arkansas Higher Education Coordinating Board is directed and empowered to promulgate rules ~~and regulations~~ as necessary to administer benefits awarded under this subchapter by the Arkansas State Claims Commission.

SECTION 406. Arkansas Code § 6-82-601(c), concerning tuition waivers for dependents of certain veterans under the postsecondary and higher education laws, is amended to read as follows:

(c) The Arkansas Higher Education Coordinating Board and the State Board of Education are directed, authorized, and empowered to promulgate and adopt such rules ~~and regulations~~ as are necessary to implement the provisions of this section.

SECTION 407. Arkansas Code § 6-82-1204(b), concerning administration of the Arkansas Police Corps Planning Commission under the postsecondary and

higher education laws, is amended to read as follows:

(b) The commission shall have authority to promulgate rules ~~and regulations~~ necessary for the administration and operation of any such program in the State of Arkansas.

SECTION 408. Arkansas Code § 6-82-1206(b)(1), concerning administration of the Arkansas Police Corps Program under the postsecondary and higher education laws, is amended to read as follows:

(b) The department may promulgate rules ~~and regulations~~ necessary for the administration and operation of any such programs in the State of Arkansas, including the creation of the Police Corps Advisory Group, which shall:

SECTION 409. Arkansas Code § 6-82-1503(c)(1), concerning eligibility and amount of scholarship under the Critical Needs Minority Teacher Scholarship Program under the postsecondary and higher education laws, is amended to read as follows:

(c)(1) The university is authorized to develop selection criteria through program rules ~~and regulations~~ which combine an applicant's American College Test or equivalent score and grade point average in the core curriculum into a selection index.

SECTION 410. Arkansas Code § 6-82-1503(e)(3), concerning eligibility and amount of scholarship under the Critical Needs Minority Teacher Scholarship Program under the postsecondary and higher education laws, is amended to read as follows:

(3) The maximum number of awards that may be made to students attending school on a part-time basis and the maximum time period for part-time students to complete the number of academic hours necessary to obtain a baccalaureate degree in education shall be established by rules ~~and regulations~~ jointly promulgated by the university and the Department of Higher Education.

SECTION 411. Arkansas Code § 6-82-1505(a), concerning the rules and administration of the Critical Needs Minority Teacher Scholarship Program under the postsecondary and higher education laws, is amended to read as

follows:

(a) The University of Arkansas at Pine Bluff and the Department of Higher Education shall jointly promulgate rules ~~and regulations~~ necessary for the proper administration of the Critical Needs Minority Teacher Scholarship Program.

SECTION 412. Arkansas Code § 6-84-102 is amended to read as follows:

6-84-102. Purpose.

It is the intent and purpose of this chapter to create and establish the Arkansas Tax-Deferred Tuition Savings Program pursuant to 26 U.S.C. § 529, as in effect on January 1, 2017, to be administered by the Section 529 Plan Review Committee through the adoption of rules ~~and regulations~~ for the administration of the program.

SECTION 413. Arkansas Code § 6-84-105(b), concerning the administration of the Arkansas Tax-Deferred Tuition Savings Program under the postsecondary and higher education laws, is amended to read as follows:

(b) The committee shall adopt such rules ~~and regulations~~ as it deems necessary and proper to administer this chapter and to ensure the compliance of the Arkansas Tax-Deferred Tuition Savings Program with 26 U.S.C. § 529, as in effect on January 1, 2017.

SECTION 414. Arkansas Code § 6-84-105(c)(2), concerning the administration of the Arkansas Tax-Deferred Tuition Savings Program under the postsecondary and higher education laws, is amended to read as follows:

(2) To adopt rules ~~and regulations~~ for the general administration of the program;

SECTION 415. Arkansas Code § 6-84-109(a), concerning account withdrawals from the Arkansas Tax-Deferred Tuition Savings Program under the postsecondary and higher education laws, is amended to read as follows:

(a) Withdrawal from an account may be made on thirty (30) days' written notice by the account owner to the Section 529 Plan Review Committee or on shorter notice as the committee may by ~~regulation~~ rule provide.

SECTION 416. Arkansas Code § 7-4-112(b), concerning compensation of

election officials, is amended to read as follows:

(b) In addition, each election official carrying election materials to and from the polling sites shall be allowed mileage at such rate as may be appropriated but not to exceed the rate prescribed for state employees in state travel ~~regulations~~ rules.

SECTION 417. Arkansas Code § 7-5-406(b)(1), concerning absentee voting for members of uniformed services and other citizens residing outside the United States, is amended to read as follows:

(b)(1) The ballot or ballots shall be transmitted according to state laws or rules and federal laws, rules, and regulations.

SECTION 418. Arkansas Code § 7-5-406(b)(3)(B), concerning absentee voting for members of uniformed services and other citizens residing outside the United States, is amended to read as follows:

(B) Promptly notify each county clerk and each county board of election commissioners of changes in relevant laws, rules, federal regulations, or procedures.

SECTION 419. Arkansas Code § 7-5-406(b)(4), concerning absentee voting for members of uniformed services and other citizens residing outside the United States, is amended to read as follows:

(4) Notwithstanding any other provisions in this title, if selected by any grantor, this state or any county in this state may participate in a Federal Voting Assistance Program project which allows members of the uniformed services and voters overseas to register to vote and to vote in elections electronically, according to state laws and rules, and federal laws, rules, and regulations, if funds are available.

SECTION 420. Arkansas Code § 7-5-805(b)(6), concerning the contest of state legislative offices, is amended to read as follows:

(6) The commission is authorized to promulgate any rules ~~and regulations~~ necessary to carry out the provisions set forth herein regarding contests for the seats in the House of Representatives.

SECTION 421. The introductory language of Arkansas Code § 7-6-222(a),

concerning campaign finance and tax credits for certain individual political contributions resulting from Initiated Act 1 of 1996, is amended to read as follows:

(a) Pursuant to ~~regulations~~ rules to be adopted by the Department of Finance and Administration, a credit against individual Arkansas income taxes shall be allowed for money contributions made by the taxpayer in a taxable year to one (1) or more of the following:

SECTION 422. Arkansas Code § 8-1-102(7), concerning the definition of "modification fee" for permits authorized by the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(7) "Modification fee" means the fee required to be submitted by this chapter for modification of any existing or future permit required by the statutes enumerated in subdivision (6) of this section, either at the request of the permittee or as required by the laws of the State of Arkansas or the rules ~~and regulations~~ of the department.

SECTION 423. Arkansas Code § 8-1-103(1)(A), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(1)(A) Following a public hearing and based upon a record calculating the reasonable administrative costs of evaluating and taking action on permit applications and of implementing and enforcing the terms and conditions of permits and variances, the commission shall establish, by ~~regulation~~ rule, reasonable fees for initial issuance, annual review, and modification of water, air, or solid waste permits required by §§ 8-4-101 — 8-4-106, 8-4-201 — 8-4-229, 8-4-301 — 8-4-314, 8-6-201 — 8-6-212, 8-6-213 [repealed], 8-6-214, 8-6-215 — 8-6-217 [superseded], and 8-9-403. These fees shall consist of initial fees, annual review fees, and modification fees, as defined in § 8-1-102.

SECTION 424. Arkansas Code § 8-1-103(2)(A)-(C), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission, are amended to read as follows:

(2)(A) The ~~regulations~~ rules shall provide that the fees shall

be assessed on a per-facility basis for the following categories of permits:

(i) Air;

(ii) Water; and

(iii) Solid waste.

(B) All annual fees for air permits issued under the state implementation plan or the ~~regulations~~ rules promulgated pursuant to the Clean Air Act shall be assessed in accordance with the Clean Air Act.

(C) The ~~regulations~~ rules may include a provision for appropriate adjustments in the fees to reflect carryover fee collections in excess of the administrative costs of issuance, renewal, inspection, modification, and monitoring associated with these permits.

SECTION 425. Arkansas Code § 8-1-103(3), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(3) The department shall collect the permit fees as established by the commission and shall deny the issuance of an initial permit, a renewal permit, or a modification permit if and when any facility subject to control by the department fails or refuses to pay the fees after reasonable notice as established by the ~~regulations~~ rules promulgated under this chapter;

SECTION 426. Arkansas Code § 8-1-103(5), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(5) The department is hereby authorized to promulgate such rules ~~and regulations~~ necessary to administer the fees, rates, tolls, or charges for services established by this section and is directed to prescribe and collect such fees, rates, tolls, or charges for the services delivered by the department in such manner as may be necessary to support the programs of the department as directed by the Governor and the General Assembly.

SECTION 427. Arkansas Code § 8-1-104 is amended to read as follows:

8-1-104. Existing rules ~~and regulations~~.

All existing rules ~~and regulations~~ of the Arkansas Department of Environmental Quality not inconsistent with the provisions of this chapter relating to subjects embraced within this chapter shall remain in full force

and effect until expressly repealed, amended, or superseded if the rules ~~and regulations~~ do not conflict with the provisions of this chapter.

SECTION 428. Arkansas Code § 8-1-105(c), concerning the fee trust fund of the Arkansas Department of Environmental Quality, is amended to read as follows:

(c) The department is hereby authorized to promulgate such rules ~~and regulations~~ as are necessary to administer the fees, rates, tolls, or charges for services established by this section and is directed to prescribe and collect such fees, rates, tolls, or charges for the services delivered by the department in such manner as may be necessary to support the programs of the department as directed by the Governor and the General Assembly.

SECTION 429. Arkansas Code § 8-1-106(a)(1)(D), concerning the definition of "affiliated person" under the rules adopted by the Arkansas Pollution Control and Ecology Commission related to disclosure statements, denials of application, and appeals, is amended to read as follows:

(D) Any person who is not now in compliance or has a history of noncompliance with the environmental laws<u>, rules,</u> or regulations of this state or any other jurisdiction and who through relationship by affinity or consanguinity or through any other relationship could be reasonably expected to significantly influence the applicant in a manner that could adversely affect the environment;

SECTION 430. Arkansas Code § 8-1-106(a)(2)(D), concerning the definition of "disclosure statement" under the rules adopted by the Arkansas Pollution Control and Ecology Commission related to disclosure statements, denials of application, and appeals, is amended to read as follows:

(D) A listing and explanation of any civil or criminal legal actions by government agencies involving environmental protection laws<u>, rules,</u> or regulations against the applicant and affiliated persons in the ten (10) years immediately preceding the filing of the application, including administrative enforcement actions resulting in the imposition of sanctions, permit or license revocations or denials issued by any state or federal authority, actions that have resulted in a finding or a settlement of a violation, and actions that are pending;

SECTION 431. Arkansas Code § 8-1-106(b)(6), concerning the rules adopted by the Arkansas Pollution Control and Ecology Commission related to disclosure statements, denials of application, and appeals, is amended to read as follows:

(6) The commission may adopt ~~regulations~~ rules exempting certain permits, licenses, certifications, or operational authorizations from the disclosure requirements and establish reasonable and appropriate disclosure information, if any, required for specific types of permits, licenses, certifications, or operational authorizations based on:

(A) The scope of a permit, license, certification, or operational authorization; and

(B) The person or entity that would receive a permit, license, certification, or operational authorization.

SECTION 432. Arkansas Code § 8-1-106(c), concerning the rules adopted by the Arkansas Pollution Control and Ecology Commission related to disclosure statements, denials of application, and appeals, is amended to read as follows:

(c) The director may deny the issuance or transfer of any permit, license, certification, or operational authority if he or she finds, based upon the disclosure statement and other investigation which he or she deems appropriate, that:

(1) The applicant has a history of noncompliance with the environmental laws, rules, or regulations of this state or any other jurisdiction;

(2) An applicant that owns or operates other facilities in the state is not in substantial compliance with, or on a legally enforceable schedule that will result in compliance with, the environmental laws or ~~regulations~~ rules of this state; or

(3) A person with a history of noncompliance with the environmental laws, rules, or regulations of this state or any other jurisdiction is affiliated with the applicant to the extent of being capable of significantly influencing the practices or operations of the applicant that could have an impact upon the environment.

SECTION 433. Arkansas Code § 8-1-106(f), concerning the rules adopted by the Arkansas Pollution Control and Ecology Commission related to disclosure statements, denials of application, and appeals, is amended to read as follows:

(f) The commission shall adopt ~~regulations~~ rules necessary to implement this section.

SECTION 434. Arkansas Code § 8-1-107(b)(4)(A), concerning the definition of "probable cause" during inspections and investigations under the authority of the Arkansas Department of Environmental Quality, is amended to read as follows:

(4)(A) "Probable cause" means showing that an administrative search limited in scope is necessary to ensure compliance with or enforcement of laws, rules, federal regulations, or orders charged to the department for implementation.

SECTION 435. Arkansas Code § 8-1-107(d)(1), concerning administrative warrants, inspections, and investigations under the authority of the Arkansas Department of Environmental Quality, is amended to read as follows:

(1) Any judicial officer otherwise authorized to issue search warrants within his or her jurisdiction may, upon proper oath or affirmation showing probable cause as defined by this section, issue warrants for the purpose of conducting administrative inspections authorized by any law, rule, or federal regulation administered by the department;

SECTION 436. Arkansas Code § 8-1-202(b)(2)(B)(i), concerning the powers of the Director of the Arkansas Department of Environmental Quality, is amended to read as follows:

(B)(i) Initiation and settlement of civil or administrative enforcement actions to compel compliance with laws, orders, rules, and federal regulations charged to the responsibility of the department.

SECTION 437. Arkansas Code § 8-1-203(b)(1)(A) and (B), concerning the powers and responsibilities of the Arkansas Pollution Control and Ecology Commission, are amended to read as follows:

(1)(A) Promulgation of rules ~~and regulations~~ implementing the substantive statutes charged to the Arkansas Department of Environmental Quality for administration.

(B) In promulgation of such rules ~~and regulations~~, prior to the submittal to public comment and review of any rule~~, regulation,~~ or change to any rule ~~or regulation~~ that is more stringent than the federal requirements, the commission shall duly consider the economic impact and the environmental benefit of such rule ~~or regulation~~ on the people of the State of Arkansas, including those entities that will be subject to the ~~regulation~~ rule.

SECTION 438. Arkansas Code § 8-1-203(b)(1)(E), concerning the powers and responsibilities of the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(E) Upon completion of the public comment period, the commission shall compile a rulemaking record or response to comments demonstrating a reasoned evaluation of the relative impact and benefits of the more stringent ~~regulation~~ rule;

SECTION 439. Arkansas Code § 8-1-203(b)(2) and (3), concerning the powers and responsibilities of the Arkansas Pollution Control and Ecology Commission, are amended to read as follows:

(2) Promulgation of rules~~, regulations,~~ and procedures not otherwise governed by applicable law that the commission deems necessary to secure public participation in environmental decision-making processes;

(3) Promulgation of rules ~~and regulations~~ governing administrative procedures for challenging or contesting department actions;

SECTION 440. Arkansas Code § 8-1-206(a)(1), concerning the definition of "environmental laws" under the voluntary environmental stewardship program, is amended to read as follows:

(1) “Environmental laws” means this title and any rules, ~~regulations,~~ permits, and orders adopted or issued under this title;

SECTION 441. Arkansas Code § 8-1-307(a)(3)(B), concerning disclosure of environmental audit reports in civil or administrative proceedings, is

amended to read as follows:

(B) Any rule ~~or regulation~~ adopted by the Arkansas Pollution Control and Ecology Commission; or

SECTION 442. Arkansas Code § 8-2-204(a)(2), concerning the powers and duties of the Arkansas Department of Environmental Quality, is amended to read as follows:

(2) To enforce the provisions of this subchapter and all laws, rules, and federal regulations relating to the program and to environmental testing;

SECTION 443. Arkansas Code § 8-2-204(b), concerning the powers and duties of the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(b) The Arkansas Pollution Control and Ecology Commission shall have the following powers and duties under this subchapter:

(1) To establish by ~~regulation~~ rule reasonable fees for the accreditation procedures under this subchapter and to cover the expenses of administering the program; and

(2) To promulgate necessary ~~regulations~~ rules to effect the purpose and administration of the program, including without limitation, provisions governing accreditation, modification, and renewal of accreditation and reaccreditation after revocation.

SECTION 444. Arkansas Code § 8-2-205 is amended to read as follows:

8-2-205. Procedure for issuance of rules ~~or regulations~~, appeals, hearings, etc.

(a) Any person that violates any provision of this chapter or of any rule~~, regulation,~~ or order issued pursuant to this chapter or that commits an unlawful act under this chapter shall be subject to the same penalty and enforcement provisions as are contained in the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq.

(b) Except as otherwise provided in this chapter, the procedure of the Arkansas Pollution Control and Ecology Commission for issuance of any rules ~~and regulations~~, conduct of hearings, notice, review of actions on certificates, right of appeal, presumptions, finality of actions, and related

matters shall be as provided in Part I of the Arkansas Water and Air Pollution Control Act, §§ 8-4-101 — 8-4-106, 8-4-201 — 8-4-229, including, without limitation, §§ 8-4-202, 8-4-205 — 8-4-210, 8-4-212 — 8-4-214, and 8-4-218 — 8-4-229.

SECTION 445. Arkansas Code § 8-3-201(b)(1), concerning the regulation of emissions from existing fossil-fuel-fired electric generating units, is amended to read as follows:

(1) Before the submission of a state plan to the United States Environmental Protection Agency, the ~~regulations~~ rules of the Arkansas Pollution Control and Ecology Commission that implement the state plan are reviewed and approved by the General Assembly through the Legislative Council consistent with Arkansas Constitution, Article 5, § 42, and any laws promulgated pursuant to Arkansas Constitution, Article 5, § 42; and

SECTION 446. Arkansas Code § 8-3-205(a), concerning the assessment of effects of implementing a state plan for regulating emissions from covered electric generating units, is amended to read as follows:

(a) Before preparing a petition to initiate rulemaking for the development of ~~regulations~~ rules implementing a state plan for regulating carbon dioxide emissions from covered electric generating units, the Arkansas Department of Environmental Quality shall prepare a report that takes into account the factors specified in § 8-4-312 and the Clean Air Act, 42 U.S.C. § 7401 et seq., as applicable.

SECTION 447. Arkansas Code § 8-3-205(c), concerning the assessment of effects of implementing a state plan for regulating emissions from covered electric generating units, is amended to read as follows:

(c) The reports required by this section shall be included with any petition filed by the department to initiate rulemaking for ~~regulations~~ rules that implement a state plan for regulating carbon dioxide emissions from covered electric generating units.

SECTION 448. Arkansas Code § 8-3-207(e), concerning the procedures for approval of state plan for regulating emissions from covered electric generating units, is amended to read as follows:

(e) This subchapter does not eliminate the requirement of legislative approval of rules ~~and regulations~~ promulgated to implement or enforce the state plan subsequently to gubernatorial action under subsection (d) of this section.

SECTION 449. Arkansas Code § 8-4-103(a)(1)(A), concerning criminal, civil, and administrative penalties for violations of rules or orders of the Arkansas Pollution Control and Ecology Commission or the Arkansas Department of Environmental Quality, is amended to read as follows:

(1)(A) Any person that violates any provision of this chapter, that commits any unlawful act under it, or that violates any rule~~, regulation,~~ or order of the Arkansas Pollution Control and Ecology Commission or the Arkansas Department of Environmental Quality shall be guilty of a misdemeanor.

SECTION 450. Arkansas Code § 8-4-103(a)(2)(A)(i), concerning criminal, civil, and administrative penalties for violations of rules or orders of the Arkansas Pollution Control and Ecology Commission or the Arkansas Department of Environmental Quality, is amended to read as follows:

(i) Violate any provision of this chapter, commit any unlawful act under it, or violate any rule~~, regulation,~~ or order of the commission or department and leave the state or remove his or her person from the jurisdiction of this state;

SECTION 451. Arkansas Code § 8-4-103(b)(1), concerning criminal, civil, and administrative penalties for violations of rules or orders of the Arkansas Pollution Control and Ecology Commission or the Arkansas Department of Environmental Quality, is amended to read as follows:

(1) Restrain any violation of or compel compliance with the provisions of this chapter and of any rules, ~~regulations,~~ orders, permits, or plans issued pursuant to this chapter;

SECTION 452. Arkansas Code § 8-4-103(b)(4), concerning criminal, civil, and administrative penalties for violations of rules or orders of the Arkansas Pollution Control and Ecology Commission or the Arkansas Department

of Environmental Quality, is amended to read as follows:

(4) Assess civil penalties in an amount not to exceed ten thousand dollars ($10,000) per day for violations of this chapter and of any rules, ~~regulations,~~ permits, or plans issued pursuant to this chapter; or

SECTION 453. Arkansas Code § 8-4-103(c)(1)(A), concerning criminal, civil, and administrative penalties for violations of rules or orders of the Arkansas Pollution Control and Ecology Commission or the Arkansas Department of Environmental Quality, is amended to read as follows:

(c)(1)(A) Any person that violates any provision of this chapter and ~~regulations,~~ rules, permits, or plans issued pursuant to this chapter may be assessed an administrative civil penalty not to exceed ten thousand dollars ($10,000) per violation.

SECTION 454. Arkansas Code § 8-4-103(c)(2)(A), concerning criminal, civil, and administrative penalties for violations of rules or orders of the Arkansas Pollution Control and Ecology Commission or the Arkansas Department of Environmental Quality, is amended to read as follows:

(2)(A) No civil penalty may be assessed until the person charged with the violation has been given the opportunity for a hearing in accordance with ~~regulations~~ rules adopted by the commission.

SECTION 455. Arkansas Code § 8-4-103(d)(1)(D), concerning criminal, civil, and administrative penalties for violations of rules or orders of the Arkansas Pollution Control and Ecology Commission or the Arkansas Department of Environmental Quality, is amended to read as follows:

(D) If a civil penalty is being assessed for a violation that occurs within the corporate limits of any municipality in Arkansas, a copy of the public notice shall be delivered to the chief executive officer of the municipality in which the alleged violation occurred, along with a copy of any proposed order concerning the violation, and the municipality shall be given a reasonable opportunity to comment on the proposed order consistent with the public notice and comment requirements of this chapter and ~~regulations~~ rules promulgated under this chapter.

SECTION 456. Arkansas Code § 8-4-107 is amended to read as follows:

8-4-107. Prosecution of public nuisance actions.

In any legal action arising from, relating to, or including violations of laws or ~~regulations~~ rules charged to the enforcement authority of the Arkansas Department of Environmental Quality that also alleges the existence of a public nuisance at common law, the Attorney General or the department may serve as the instrumentality of the state authorized to initiate and prosecute such action.

SECTION 457. Arkansas Code § 8-4-201(b)(1)(A) and (B), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission, are amended to read as follows:

(1)(A) Promulgation of rules ~~and regulations~~, including water quality standards and the classification of the waters of the state and moratoriums or suspensions of the processing of types or categories of permits, implementing the substantive statutes charged to the department for administration.

(B) In promulgation of such rules ~~and regulations~~, prior to the submittal to public comment and review of any rule~~, regulation,~~ or change to any rule ~~or regulation~~ that is more stringent than federal requirements, the commission shall duly consider the economic impact and the environmental benefit of such rule ~~or regulation~~ on the people of the State of Arkansas, including those entities that will be subject to the ~~regulation~~ rule.

SECTION 458. Arkansas Code § 8-4-201(b)(2) and (3), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission, are amended to read as follows:

(2) Promulgation of rules~~, regulations,~~ and procedures not otherwise governed by applicable law that the commission deems necessary to secure public participation in environmental decision-making processes;

(3) Promulgation of rules ~~and regulations~~ governing administrative procedures for challenging or contesting department actions;

SECTION 459. Arkansas Code § 8-4-202(a) and (b), concerning the

authority of the Arkansas Pollution Control and Ecology Commission to adopt rules to implement the powers and duties of the Arkansas Department of Environmental Quality, are amended to read as follows:

(a) The Arkansas Pollution Control and Ecology Commission is given and charged with the power and duty to adopt, modify, or repeal, after notice and public hearings, rules ~~and regulations~~ implementing or effectuating the powers and duties of the Arkansas Department of Environmental Quality and the commission under this chapter.

(b) Without limiting the generality of this authority, these rules ~~and regulations~~ may, among other things, prescribe:

(1) Effluent standards specifying the maximum amounts or concentrations and the physical, thermal, chemical, biological, and radioactive nature of the contaminants that may be discharged into the waters of this state or into publicly owned treatment facilities;

(2) Requirements and standards for equipment and procedures for monitoring contaminant discharges at their sources, including publicly owned treatment facilities and industrial discharges into such facilities, the collection of samples, and the collection, reporting, and retention of data resulting from such monitoring; and

(3) Water quality standards, performance standards, and pretreatment standards.

SECTION 460. Arkansas Code § 8-4-202(c)(1), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(c)(1) Any person shall have the right to petition the commission for the issuance, amendment, or repeal of any rule ~~or regulation~~. Within sixty (60) days from the date of the submission of a petition, the commission shall either institute rulemaking proceedings or give the petitioner written notice denying the petition, together with a written statement setting out the reasons for denial.

SECTION 461. Arkansas Code § 8-4-202(d)(1)(A), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(d)(1)(A) Before the adoption, amendment, or repeal of any rule ~~or regulation~~ or before suspending the processing of a type or category of permits or the declaration of a moratorium on a type or category of permits, the commission shall give at least thirty (30) days' notice of its intended action.

SECTION 462. Arkansas Code § 8-4-202(d)(2)(A)(ii), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(ii) Make oral statements concerning the proposed rule, ~~regulation,~~ suspension, or moratorium prior to a decision being rendered by the commission.

SECTION 463. Arkansas Code § 8-4-202(d)(3), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(3)(A) If, in response to comments, the commission amends a proposed ~~regulation~~ rule to the extent that the rule would have an effect not previously expressed in the notice required by subdivision (d)(1) of this section, the commission shall provide another adequate public notice.

(B) Subdivision (d)(3)(A) of this section shall not, however, require a second public notice if the final ~~regulation~~ rule is a logical outgrowth of the ~~regulation~~ rule proposed in the prior notice.

SECTION 464. Arkansas Code § 8-4-202(d)(4)(A)(i) and (ii), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission, are amended to read as follows:

(A)(i) A copy of all notices described in subsection (d) of this section and a concise general statement of the basis and purpose of the proposed rule, which shall include a written explanation of the necessity of the ~~regulation~~ rule and a demonstration that any technical ~~regulation~~ rule or technical standard is based on generally accepted scientific knowledge and engineering practices.

(ii) For any standard or ~~regulation~~ rule that is

identical to a regulation promulgated by the United States Environmental Protection Agency, this portion of the record may be satisfied by reference to the Code of Federal Regulations.

SECTION 465. Arkansas Code § 8-4-202(d)(5)(B), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(B) The record for review shall consist of a copy of the ~~regulation~~ rule and the record of rulemaking described in subdivision (d)(4) of this section.

SECTION 466. Arkansas Code § 8-4-202(e)(1) and (2), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission, are amended to read as follows:

(e)(1) If the commission determines that imminent peril to the public health, safety, or welfare requires immediate change in the rules or immediate suspension or moratorium on categories or types of permits, it may, after documenting the facts and reasons, declare an emergency and implement emergency rules, ~~regulations,~~ suspensions, or moratoria.

(2) No rule, ~~regulation,~~ suspension, or moratorium adopted under an emergency declaration shall be effective for longer than one hundred eighty (180) days.

SECTION 467. Arkansas Code § 8-4-203(b)(4)(B)(vi), concerning the authority of the Arkansas Department of Environmental Quality to issue, revoke, modify, or deny permits, is amended to read as follows:

(vi) The Arkansas Pollution Control and Ecology Commission may promulgate ~~regulations~~ rules to implement this subsection.

SECTION 468. Arkansas Code § 8-4-203(e)(2)(B)(ii), concerning the authority of the Arkansas Department of Environmental Quality to issue, revoke, modify, or deny permits, is amended to read as follows:

(ii) For any standard or requirement that is identical to an applicable federal regulation or state rule, this

demonstration may be satisfied by reference to the federal regulation or state rule. In all other cases, the department must provide its own justification with appropriate reference to the scientific and engineering literature or written studies conducted by the department.

SECTION 469. Arkansas Code § 8-4-203(m)(3)(A)(ii), concerning the authority of the Arkansas Department of Environmental Quality to issue, revoke, modify, or deny permits, is amended to read as follows:

(ii) This requirement does not apply to general permits or terms or conditions that adopt the language of state laws or rules or federal statutes or regulations without substantive change.

SECTION 470. Arkansas Code § 8-4-203(m)(3)(C), concerning the authority of the Arkansas Department of Environmental Quality to issue, revoke, modify, or deny permits, is amended to read as follows:

(C) A general permit for which costs are specifically prohibited from being considered by state law or rule or federal law or regulation is exempt from the requirements of this subsection.

SECTION 471. Arkansas Code § 8-4-207(l)(A), concerning the powers and duties of the Director of the Arkansas Department of Environmental Quality, is amended to read as follows:

(l)(A) The director is authorized to require conditions in permits issued under this chapter regarding the achievement of effluent limitations based upon the application of such levels of treatment technology and processes as are required under the federal act or any more stringent effluent limitations necessary to meet water quality criteria or toxic standards established pursuant to any state law or rule or federal law or regulation. Such effluent limitations shall be achieved in the shortest reasonable period of time consistent with state law and the federal act and any regulations or guidelines promulgated thereunder.

SECTION 472. Arkansas Code § 8-4-207(3), concerning the powers and duties of the Director of the Arkansas Department of Environmental Quality, is amended to read as follows:

(3) Permits for publicly owned treatment works shall include as

a condition for the permit that the permittee provide information to the director concerning new introductions of pollutants or substantial changes in the volume or character of pollutants, whether sewage, industrial waste, or other wastes are being introduced into such treatment works, and appropriate measures to establish and ensure compliance by industrial users with any system of user charges required under state law or federal law or any federal regulations or guidelines promulgated thereunder;

SECTION 473. Arkansas Code § 8-4-207(5), concerning the powers and duties of the Director of the Arkansas Department of Environmental Quality, is amended to read as follows:

(5) The director and the commission shall ensure public notice, public participation, and an opportunity for public hearing in respect to National Pollutant Discharge Elimination System permit applications and actions related to them in accordance with applicable state law and rules and federal law, ~~and~~ rules, and regulations; and

SECTION 474. Arkansas Code § 8-4-213(a), concerning conclusiveness of actions of the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(a) If no appeal is taken from an order, a rule, ~~a regulation,~~ or other decision of the Arkansas Pollution Control and Ecology Commission as provided in §§ 8-4-222 — 8-4-229, or if the action of the commission is affirmed on appeal, then the action of the commission in the matter shall be deemed conclusive, and the validity and reasonableness thereof shall not be questioned in any other action or proceeding.

SECTION 475. Arkansas Code § 8-4-217(a)(3), concerning unlawful actions under the Arkansas Water and Air Pollution Control Act, is amended to read as follows:

(3) Violate any provisions of this chapter or of any rule~~,~~ ~~regulation,~~ or order adopted by the Arkansas Pollution Control and Ecology Commission under this chapter or of a permit issued under this chapter by the Arkansas Department of Environmental Quality;

SECTION 476. Arkansas Code § 8-4-218(a), concerning violations of the

Arkansas Water and Air Pollution Control Act and notice of hearings, is amended to read as follows:

(a) Whenever the Arkansas Department of Environmental Quality or its successor determines that there are reasonable grounds to believe that there has been a violation of any of the provisions of this chapter or any order~~,~~ or rule~~, or regulation~~ of the Arkansas Pollution Control and Ecology Commission, it may give written notice to the alleged violator specifying the causes of complaint.

SECTION 477. Arkansas Code § 8-4-223(a)(1), concerning appeals under the Arkansas Water and Air Pollution Control Act and notice of appeal, is amended to read as follows:

(a)(1) Within thirty (30) days after service of a copy of the final order, rule, ~~regulation,~~ or other final determination of the Arkansas Pollution Control and Ecology Commission, the appellant may file a notice of appeal with the circuit court of the county in which the business, industry, municipality, or thing involved is situated.

SECTION 478. Arkansas Code § 8-4-225 is amended to read as follows:

8-4-225. Appeals — Venue.

Except as provided in § 8-4-223(d), upon written consent of the parties or for cause shown after hearing upon notice to all parties, the venue of an appeal may be changed by order of the circuit court to the circuit court of a county in which the order, rule, ~~regulation,~~ or decision appealed from would take effect.

SECTION 479. Arkansas Code § 8-4-226(a)(1), concerning appeals of decisions under the Arkansas Water and Air Pollution Control Act, is amended to read as follows:

(a)(1) Within thirty (30) days after service of the notice of appeal on the Arkansas Pollution Control and Ecology Commission secretary, the Arkansas Pollution Control and Ecology Commission shall file with the clerk of the circuit court having jurisdiction of the appeal a response to the notice of appeal and the record upon which the final order, rule, ~~regulation,~~ or other final determination complained of was entered.

SECTION 480. Arkansas Code § 8-4-226(a)(3)(A)(iii), concerning appeals of decisions under the Arkansas Water and Air Pollution Control Act, is amended to read as follows:

(iii) A copy of the final order, rule, ~~regulation,~~ or other final decision appealed from; and

SECTION 481. Arkansas Code § 8-4-229(a), concerning appeals of decisions and presumptions under the Arkansas Water and Air Pollution Control Act, is amended to read as follows:

(a) In any appeal or other proceeding involving any order, rule, ~~regulation,~~ or other decision of the Arkansas Pollution Control and Ecology Commission, the action of the commission shall be prima facie evidence reasonable and valid, and it shall be presumed that all requirements of the law pertaining to the taking thereof have been complied with.

SECTION 482. Arkansas Code § 8-4-231 is amended to read as follows:

8-4-231. Effectiveness of regulations<u>, rules,</u> or orders.

This act shall not be construed as impairing the continued effectiveness of any regulations<u>, rules,</u> or orders promulgated or issued by the Arkansas Pollution Control and Ecology Commission prior to March 31, 1999. Nor shall this act be construed as extinguishing or otherwise affecting the unexpired terms of any current members of the commission.

SECTION 483. Arkansas Code § 8-4-232(b)(1), concerning nutrient water quality trading programs under the Arkansas Water and Air Pollution Control Act, is amended to read as follows:

(b)(1) The Arkansas Pollution Control and Ecology Commission may adopt ~~regulations~~ <u>rules</u> that specify requirements, standards, and procedures governing the establishment and implementation of nutrient water quality trading programs, including without limitation program scope, eligibility, and threshold treatment requirements.

SECTION 484. Arkansas Code § 8-4-232(c), concerning nutrient water quality trading programs under the Arkansas Water and Air Pollution Control Act, is amended to read as follows:

(c) Under ~~regulations~~ <u>rules</u> adopted by the commission under subsection

(b) of this section, the department may:

(1) Include terms and conditions in any appropriate permit that allow the eligible permit holder to use water quality trading arrangements such as water quality trading credits and water quality offsets as a means for complying with appropriate nutrient effluent limitations or conditions contained in the permit; and

(2) Issue permits to eligible compliance associations as a means for multiple eligible permit holders to collectively satisfy their aggregate permit limits for one (1) or more appropriate nutrient water quality parameters.

SECTION 485. Arkansas Code § 8-4-233(g)(2), concerning creation of the Nutrient Water Quality Trading Advisory Panel programs under the Arkansas Water and Air Pollution Control Act, is amended to read as follows:

(2) Advise the Arkansas Pollution Control and Ecology Commission and the Arkansas Natural Resources Commission regarding the promulgation of ~~regulations~~ rules involving nutrient water quality trading programs.

SECTION 486. Arkansas Code § 8-4-233(h) and (i), concerning creation of the Nutrient Water Quality Trading Advisory Panel programs under the Arkansas Water and Air Pollution Control Act, are amended to read as follows:

(h) The Arkansas Pollution Control and Ecology Commission shall not initiate a rulemaking proceeding to adopt a ~~regulation~~ rule that authorizes or governs nutrient water quality trading unless:

(1) The proposed ~~regulation~~ rule has been recommended by the advisory panel; or

(2) A copy of the proposed ~~regulation~~ rule has been delivered to the advisory panel at least sixty (60) calendar days before the date the request to initiate the rulemaking is filed with the Arkansas Pollution Control and Ecology Commission.

(i) Subsection (h) of this section does not limit the authority of the Arkansas Pollution Control and Ecology Commission to:

(1) Alter a proposed ~~regulation~~ rule at any time during the rulemaking proceeding; or

(2) Initiate a rulemaking proceeding if:

(A) The members of the advisory panel have not been

appointed; or

(B) The advisory panel lacks an actively serving quorum.

SECTION 487. Arkansas Code § 8-4-234(f), concerning the authority of the Director of the Arkansas Department of Environmental Quality to authorize short-term activities that affect water quality standards, is amended to read as follows:

(f) The commission may promulgate ~~regulations~~ rules for the administration of this section.

SECTION 488. Arkansas Code § 8-4-307 is amended to read as follows:

8-4-307. Private rights unchanged.

(a) Persons other than the state or the Arkansas Department of Environmental Quality shall not acquire actionable right by virtue of this subchapter. The basis for proceedings that result from violation of any standard~~,~~ or rule~~, or regulation~~ promulgated by the Arkansas Pollution Control and Ecology Commission shall inure solely to and shall be for the benefit of the people of the state generally, and it is not intended to create in any way new rights or to enlarge existing rights or to abrogate existing private rights.

(b) A determination by the department that air pollution or air contamination exists or that any standard~~,~~ or rule~~, or regulation~~ has been violated, whether or not a proceeding or action is brought by the state, shall not create, by reason thereof, any presumption of law or finding of fact that shall inure to or be for the benefit of any person other than the state.

SECTION 489. Arkansas Code § 8-4-310(a)(2)and (3), concerning unlawful actions under the Arkansas Water and Air Pollution Control Act, are amended to read as follows:

(2) To construct, install, use, or operate any source capable of emitting air contaminants without having first obtained a permit to do so, if required by ~~the regulations~~ rule of the Arkansas Pollution Control and Ecology Commission, or to do so contrary to the provisions of any permit issued by the Arkansas Department of Environmental Quality or after any such permit has been suspended or revoked; or

(3) To violate any rule~~, regulation,~~ or order of the commission issued pursuant to this chapter.

SECTION 490. Arkansas Code § 8-4-311(a)(7), concerning the powers of the Arkansas Department of Environmental Quality, is amended to read as follows:

(7) Administer and enforce all laws and ~~regulations~~ rules relating to pollution of the air;

SECTION 491. Arkansas Code § 8-4-311(a)(11), concerning the powers of the Arkansas Department of Environmental Quality, is amended to read as follows:

(11) Institute court proceedings to compel compliance with the provisions of this chapter and rules~~, regulations,~~ and orders issued pursuant to this chapter;

SECTION 492. Arkansas Code § 8-4-311(a)(13), concerning the powers of the Arkansas Department of Environmental Quality, is amended to read as follows:

(13) Develop and implement state implementation plans provided that the commission shall retain all powers and duties regarding promulgation of rules ~~and regulations~~ under this chapter.

SECTION 493. Arkansas Code § 8-4-311(b)(1)(A) and (B), concerning the powers of the Arkansas Pollution Control and Ecology Commission, are amended to read as follows:

(1)(A) Promulgate rules ~~and regulations~~ for implementing the substantive statutes charged to the department for administration.

(B) In promulgation of such rules ~~and regulations~~, prior to the submittal to public comment and review of any rule~~, regulation,~~ or change to any rule ~~or regulation~~ that is more stringent than federal requirements, the commission shall duly consider the economic impact and the environmental benefit of such rule ~~or regulation~~ on the people of the State of Arkansas, including those entities that will be subject to the ~~regulation~~ rule.

SECTION 494. Arkansas Code § 8-4-311(b)(1)(E), concerning the powers of the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(E) Upon completion of the public comment period, the commission shall compile a rulemaking record or response to comments demonstrating a reasoned evaluation of the relative impact and benefits of the more stringent ~~regulation~~ rule;

SECTION 495. Arkansas Code § 8-4-311(b)(2) and (3), concerning the powers of the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(2) Promulgate rules~~, regulations,~~ and procedures not otherwise governed by applicable law that the commission deems necessary to secure public participation in environmental decision-making processes;

(3) Promulgate rules ~~and regulations~~ governing administrative procedures for challenging or contesting department actions;

SECTION 496. Arkansas Code § 8-4-311(b)(9), concerning the powers of the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(9) Adopt, after notice and public hearing, reasonable and nondiscriminatory rules ~~and regulations~~ requiring the registration of and the filing of reports by persons engaged in operations that may result in air pollution;

SECTION 497. Arkansas Code § 8-4-311(b)(10)(A) and (B), concerning the powers of the Arkansas Pollution Control and Ecology Commission, are amended to read as follows:

(10)(A) Adopt, after notice and public hearing, reasonable and nondiscriminatory rules ~~and regulations~~, including requiring a permit or other regulatory authorization from the department, before any equipment causing the issuance of air contaminants may be built, erected, altered, replaced, used, or operated, except in the case of repairs or maintenance of equipment for which a permit has been previously used, and revoke or modify any permit issued under this chapter or deny any permit when it is necessary, in the opinion of the department, to prevent, control, or abate air

pollution.

(B) A permit shall be issued for the operation or use of any equipment or any facility in existence upon the effective date of any rule ~~or regulation~~ requiring a permit if proper application is made for the permit.

SECTION 498. Arkansas Code § 8-4-311(b)(10)(F)(i), concerning the powers of the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(F)(i) An applicant or permit holder that has had a complete application for a permit or for a modification of a permit pending longer than the time specified in the state ~~regulations~~ rules promulgated pursuant to Title V of the Clean Air Act Amendments of 1990, or any person that participated in the public participation process, and any other person that could obtain judicial review of such actions under state laws, may petition the commission for relief from department inaction.

SECTION 499. Arkansas Code § 8-4-311(b)(11)(C), concerning the powers of the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(C) Any ~~regulation~~ rule proposed pursuant to this authorization shall be reported to the House Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees thereof prior to its final promulgation; and

SECTION 500. Arkansas Code § 8-4-313(a)(1), concerning variances allowed by the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(a)(1) The Arkansas Pollution Control and Ecology Commission may grant specific variances from the particular requirements of any rule~~, regulation,~~ or general order to such specific persons or class of persons or such specific air contamination source, upon such conditions as it may deem necessary to protect the public health and welfare, if it finds that strict compliance with the rule~~, regulation,~~ or general order is inappropriate because of conditions beyond the control of the person granted the variance

or because of special circumstances that would render strict compliance unreasonable, unduly burdensome, or impractical due to special physical conditions or causes or because strict compliance would result in substantial curtailment or closing down of a business, plant, or operation or because no alternative facility or method of handling is yet available.

SECTION 501. Arkansas Code § 8-4-317(b)(1)(C)(ii), concerning state implementation plans under the Arkansas Water and Air Pollution Control Act, is amended to read as follows:

(ii) For any standard or requirement that is identical to the applicable Arkansas Pollution Control and Ecology Commission ~~regulation~~ rule or federal regulation, the demonstration required under subdivision (b)(1)(C)(i) of this section may be satisfied by reference to the rule or federal regulation. In all other cases, the department shall provide its own justification with appropriate reference to the scientific and engineering literature considered or the written studies conducted by the department.

SECTION 502. Arkansas Code § 8-5-202(a), concerning penalties and injunctions for violations of the laws governing wastewater treatment plants, is amended to read as follows:

(a) A violation of any provision of this subchapter or of any rule ~~or regulation~~ issued pursuant to this subchapter shall constitute a misdemeanor and upon conviction shall be punishable as such. Each day's continuance of a violation shall constitute a separate offense.

SECTION 503. Arkansas Code § 8-5-202(c), concerning penalties and injunctions for violations of the laws governing wastewater treatment plants, is amended to read as follows:

(c) A violation of any provision of this subchapter or of any rule ~~or regulation~~ promulgated under this subchapter is grounds for an administrative revocation or suspension of the operator's license by the department.

SECTION 504. Arkansas Code § 8-5-205(b)(2)(A), concerning the powers and duties of the Arkansas Pollution Control and Ecology Commission for administering and enforcing the laws governing wastewater treatment plants,

is amended to read as follows:

(A) To adopt rules ~~and regulations~~ implementing and effectuating this subchapter as may be necessary for the administration and enforcement thereof;

SECTION 505. Arkansas Code § 8-5-206(a), concerning classification of treatment plants by the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(a) The Arkansas Pollution Control and Ecology Commission shall, through ~~regulations~~ rules, classify all wastewater treatment plants, taking into account:

(1) The size, type, and complexity of the plant;

(2) The character and volume of wastewater treated;

(3) The population served;

(4) The skill, knowledge, and experience reasonably required to supervise the proper operation of the plant; and

(5) Such other factors as the commission shall deem appropriate.

SECTION 506. Arkansas Code § 8-5-207 is amended to read as follows:

8-5-207. Operators to be licensed.

In order to safeguard the public health and protect the waters of this state from pollution, all operators in responsible charge of public or private wastewater treatment plants shall be duly licensed and certified as competent by the Arkansas Department of Environmental Quality under the provisions of this subchapter and under such rules ~~and regulations~~ as the Arkansas Pollution Control and Ecology Commission may adopt, with the advice and assistance of the licensing committee, pursuant to the authority of this subchapter. All rules ~~and regulations~~ promulgated pursuant to this subchapter shall be reviewed by the interim House Committee on Public Health, Welfare, and Labor and the interim Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees thereof.

SECTION 507. Arkansas Code § 8-5-208(a), concerning license requirements for wastewater treatment plants, is amended to read as follows:

(a) The Arkansas Department of Environmental Quality shall license and certify all applicants for licenses under this subchapter who satisfy the

requirements of the subchapter and the rules ~~and regulations~~ issued pursuant to this subchapter. Licenses shall be granted according to the classification of wastewater treatment plants established under this subchapter. Licenses shall be valid for a period of two (2) years and shall be renewable upon application without examination.

SECTION 508. Arkansas Code § 8-5-208(c), concerning license requirements for wastewater treatment plants, is amended to read as follows:

(c) In its discretion, the department may waive the requirements or any part of the requirements for formal examination of an applicant for license if the applicant holds a valid license or certificate from another state in which the requirements for license in the appropriate classification are at least equal to the requirements set forth in this subchapter and the rules ~~and regulations~~ issued pursuant to this subchapter.

SECTION 509. Arkansas Code § 8-5-209(a)(2)(A), concerning the fees for the Wastewater Licensing Fund set by the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(2)(A) Licensing and examination fees shall be set forth in the ~~regulation~~ rule.

SECTION 510. Arkansas Code § 8-5-501(a)(1), concerning regulation of underground salt water disposal systems by the Arkansas Pollution Control and Ecology Commission and the Oil and Gas Commission, is amended to read as follows:

(a)(1) The Arkansas Pollution Control and Ecology Commission and the Oil and Gas Commission are empowered to establish reasonable rules~~,~~ ~~regulations,~~ and specifications for the establishment and operation of underground salt water disposal systems to be used in disposing of salt water produced in the production of oil.

SECTION 511. Arkansas Code § 8-5-501(a)(2)(B)(vi), concerning regulation of underground salt water disposal systems by the Arkansas Pollution Control and Ecology Commission and the Oil and Gas Commission, is amended to read as follows:

(vi) Such other information as may be required by

rules ~~and regulations~~ of the respective commissions.

SECTION 512. Arkansas Code § 8-5-501(b)(1), concerning regulation of underground salt water disposal systems by the Arkansas Pollution Control and Ecology Commission and the Oil and Gas Commission, is amended to read as follows:

(b)(1) If the commissions determine that the underground salt water disposal system for which application is made will meet the requirements of this section, §§ 8-5-502, 26-58-201 — 26-58-204, 26-58-206 — 26-58-210, and 26-58-211 [repealed], and the rules ~~and regulations~~ of the commissions, a permit for the establishment of the system shall be issued.

SECTION 513. Arkansas Code § 8-5-501(b)(2)(B)(i), concerning regulation of underground salt water disposal systems by the Arkansas Pollution Control and Ecology Commission and the Oil and Gas Commission, is amended to read as follows:

(B)(i) If the commission determines that the system is in compliance with the requirements of this section, §§ 8-5-502, 26-58-201 — 26-58-204, 26-58-206 — 26-58-210, and 26-58-211 [repealed], and the rules ~~and regulations~~ of the commission, a certificate of approval of the system shall be granted.

SECTION 514. Arkansas Code § 8-5-501(b)(3)(B)(i), concerning regulation of underground salt water disposal systems by the Arkansas Pollution Control and Ecology Commission and the Oil and Gas Commission, is amended to read as follows:

(B)(i) If a determination is made that the system is being operated in a manner contrary to the provisions of this section, §§ 8-5-502, 26-58-201 — 26-58-204, 26-58-206 — 26-58-210, and 26-58-211 [repealed], or the rules ~~and regulations~~ of the commission, the commission may revoke the certificate of approval until such time as a showing may be made that the deficiencies in the system have been corrected to the satisfaction of the commission.

SECTION 515. Arkansas Code § 8-5-609 is amended to read as follows:

8-5-609. Privatization contracts, service agreements, etc. — Exemption

from certain laws.

The privatization contract, the service agreement, and any other purchase by the local government in connection with the privatization contract shall not be subject to the provisions of §§ 14-58-201 — 14-58-203, 14-58-301 — 14-58-303, 14-58-305 — 14-58-308, and 14-22-101 — 14-22-115 or any other law, rule, or regulation requiring competitive bids.

SECTION 516. Arkansas Code § 8-5-701(1), concerning the definition of "chronic noncompliance" of a common sewage system under the laws of water pollution control facilities, is amended to read as follows:

(1) "Chronic noncompliance" means conditions described in this subchapter that persist at a common sewage system after reasonable efforts by the Arkansas Department of Environmental Quality to obtain compliance with applicable laws or ~~regulations~~ rules in one (1) of the following:

(A) Failure to obtain a permit as required by law;

(B) Four (4) or more permit violations within a six-month period as set out in the permit issued by the department;

(C) Failure to maintain the services of a certified wastewater treatment operator, where applicable; or

(D) Demonstrable failure to operate the sewage system so as to prevent the discharge of waterborne pollutants in unacceptable concentrations, as defined in the individual permit or the state's water quality standards, to the surface waters or groundwater of the state; and

SECTION 517. Arkansas Code § 8-5-702(e)(1), concerning remedies available to the Arkansas Department of Environmental Quality for chronic violations by any common sewage system, is amended to read as follows:

(1) Restrain any violation of or compel compliance with the provisions of this subchapter and of rules, ~~regulations,~~ orders, permits, or plans issued pursuant thereto;

SECTION 518. Arkansas Code § 8-5-702(e)(4), concerning remedies available to the Arkansas Department of Environmental Quality for chronic violations by any common sewage system, is amended to read as follows:

(4) Assess civil penalties in an amount not to exceed ten thousand dollars ($10,000) per day for violations of this subchapter and of

any rules, ~~regulations,~~ permits, or plans issued pursuant thereto; or

SECTION 519. Arkansas Code § 8-5-803(5), concerning the definition of "mandated environmental control" under the Small Business Revolving Loan Fund for Pollution Control and Prevention Technologies Act, is amended to read as follows:

(5) "Mandated environmental control" means any change in a commercial process that is required by federal environmental law or duly adopted regulation or state environmental law or duly adopted ~~regulation~~ rule;

SECTION 520. Arkansas Code § 8-5-804(a)(1), concerning eligible activities under the Small Business Revolving Loan Fund for Pollution control and Prevention Technologies Act, is amended to read as follows:

(1) Loaned to eligible participants to pay the direct costs of projects which are designed to correct or avoid violations of federal environmental regulations or state environmental ~~regulations~~ rules and have received a certificate of need from the department; or

SECTION 521. Arkansas Code § 8-5-807(a)(3), concerning the creation of the Small Business Revolving Loan Fund under the Small Business Revolving Loan Fund for Pollution Control and Prevention Technologies Act, is amended to read as follows:

(3) To be used as a revolving fund by the department for making loans to eligible participants to pay the direct costs of projects that are designed to correct or avoid violations of federal environmental law or regulations or state environmental ~~regulations~~ rules and have received a certificate of need from the department or to pay costs incurred by the department to provide management of lending activities.

SECTION 522. Arkansas Code § 8-6-204(a)(1)(A), concerning criminal, civil, and administrative penalties under the Arkansas Solid Waste Management Act, is amended to read as follows:

(1)(A) Any person who violates any provision of this subchapter, who commits any unlawful act under this subchapter, or who violates any rule~~,~~ ~~regulation,~~ or order of the Arkansas Pollution Control and Ecology Commission

or the Arkansas Department of Environmental Quality shall be guilty of a misdemeanor.

SECTION 523. Arkansas Code § 8-6-204(a)(2)(A)(i), concerning criminal, civil, and administrative penalties under the Arkansas Solid Waste Management Act, is amended to read as follows:

(i) Violate any provision of this subchapter, commit any unlawful act under it, or violate any rule~~, regulation,~~ or order of the commission or department, and leave the state or remove his or her person from the jurisdiction of this state;

SECTION 524. Arkansas Code § 8-6-204(b)(1), concerning criminal, civil, and administrative penalties under the Arkansas Solid Waste Management Act, is amended to read as follows:

(1) Restrain any violation of or compel compliance with the provisions of this subchapter and of any rules, ~~regulations,~~ orders, permits, licenses, or plans issued pursuant to this subchapter;

SECTION 525. Arkansas Code § 8-6-204(b)(4), concerning criminal, civil, and administrative penalties under the Arkansas Solid Waste Management Act, is amended to read as follows:

(4) Assess civil penalties in an amount not to exceed ten thousand dollars ($10,000) per day for violations of this subchapter and of any rules, ~~regulations,~~ permits, or plans issued pursuant to this subchapter; or

SECTION 526. Arkansas Code § 8-6-204(c), concerning criminal, civil, and administrative penalties under the Arkansas Solid Waste Management Act, is amended to read as follows:

(c) Any person who violates any provision of this subchapter and ~~regulations,~~ rules, permits, or plans issued pursuant to this subchapter may be assessed an administrative civil penalty not to exceed ten thousand dollars ($10,000) per violation. Each day of a continuing violation may be deemed a separate violation for purposes of penalty assessment. No civil penalty may be assessed until the person charged with the violation has been given the opportunity for a hearing in accordance with ~~regulations~~ rules

adopted by the commission. All hearings and appeals arising under this subchapter shall be conducted in accordance with the procedures prescribed by §§ 8-4-205, 8-4-212, and 8-4-218 — 8-4-229. These administrative procedures may also be used to recover all costs, expenses, and damages to the department and any other agency or subdivision of the state in enforcing or effectuating the provisions of this subchapter, including natural resource damages.

SECTION 527. Arkansas Code § 8-6-205(a)(1), concerning illegal actions, rebuttable presumptions, acts, or omissions by a third party under the Arkansas Solid Waste Management Act, is amended to read as follows:

(1) To violate any provision of this subchapter or any rule~~, regulation,~~ or order of the Arkansas Pollution Control and Ecology Commission issued pursuant to this subchapter or of a permit issued under this subchapter by the Arkansas Department of Environmental Quality;

SECTION 528. Arkansas Code § 8-6-205(a)(5), concerning illegal actions, rebuttable presumptions, acts or omissions by a third party under the Arkansas Solid Waste Management Act, is amended to read as follows:

(5) To sort, collect, transport, process, or dispose of solid waste contrary to the rules~~, regulations,~~ or orders of the department or in such a manner or place as to create or be likely to create a public nuisance or a public health hazard or to cause or be likely to cause water or air pollution within the meaning of the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq.

SECTION 529. Arkansas Code § 8-6-205(c), concerning illegal actions, rebuttable presumptions, acts or omissions by a third party under the Arkansas Solid Waste Management Act, is amended to read as follows:

(c) No person shall be liable for any violation of this subchapter or of any rule~~, regulation,~~ or order of the commission issued pursuant to this subchapter if the violation results solely from the act or omission of a third party, unless the person has knowingly allowed the violation to occur through acquiescence, acts, or omissions.

SECTION 530. Arkansas Code § 8-6-206 is amended to read as follows:

8-6-206. Private right of action.

Any person adversely affected by a violation of this subchapter or of any rules~~, regulations,~~ or orders issued pursuant thereto shall have a private right of action for relief against the violation.

SECTION 531. Arkansas Code § 8-6-207(a)(1), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission under the Arkansas Solid Waste Management Act, is amended to read as follows:

(1) To administer and enforce all laws~~,~~ and rules~~, and regulations~~ relating to solid waste disposal;

SECTION 532. Arkansas Code § 8-6-207(a)(7)-(9), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission under the Arkansas Solid Waste Management Act, are amended to read as follows:

(7) To make investigations, inspections, and to hold such hearings, after notice, as it may deem necessary or advisable for the discharge of duties under this subchapter and to ensure compliance with this subchapter and any orders~~,~~ and rules~~, and regulations~~ issued pursuant thereto;

(8) To make, issue, modify, revoke, and enforce orders, after notice and opportunity for adjudicatory review by the commission, prohibiting violation of any of the provisions of this subchapter or of any rules ~~and regulations~~ issued pursuant to it, and to require the taking of such remedial measures for solid waste disposal as may be necessary or appropriate to implement or effectuate the provisions and purposes of this subchapter;

(9) To institute proceedings in the name of the department in any court of competent jurisdiction to compel compliance with and to restrain violation of the provisions of this subchapter or any rules~~, regulations,~~ and orders issued pursuant thereto and to require the taking of such remedial measures for solid waste disposal as may be necessary or appropriate to implement or effectuate the provisions and purposes of this subchapter;

SECTION 533. Arkansas Code § 8-6-207(a)(11), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas

Pollution Control and Ecology Commission under the Arkansas Solid Waste Management Act, is amended to read as follows:

(11) To make periodic inspections not less than quarterly in accordance with ~~regulations~~ rules promulgated by the commission of all solid waste disposal facilities or sites permitted under this subchapter to ensure compliance with all requirements of this subchapter and the ~~regulations~~ rules promulgated under this subchapter and to make a final inspection of closed or abandoned solid waste disposal sites to determine compliance with rules ~~and regulations~~ for proper closure and proper filling and drainage of the site;

SECTION 534. Arkansas Code § 8-6-207(b)(1)(A) and (B), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission under the Arkansas Solid Waste Management Act, are amended to read as follows:

(1)(A) Promulgation of rules ~~and regulations~~ implementing the substantive statutes charged to the Arkansas Department of Environmental Quality for administration.

(B) In promulgation of such rules ~~and regulations~~, prior to the submittal to public comment and review of any rule~~, regulation,~~ or change to any rule ~~or regulation~~ that is more stringent than federal requirements, the commission shall duly consider the economic impact and the environmental benefit of such rule ~~or regulation~~ on the people of the State of Arkansas, including those entities that will be subject to the ~~regulation~~ rule.

SECTION 535. Arkansas Code § 8-6-207(b)(1)(E), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission under the Arkansas Solid Waste Management Act, is amended to read as follows:

(E) Upon completion of the public comment period, the commission shall compile a rulemaking record or response to comments demonstrating a reasoned evaluation of the relative impact and benefits of the more stringent ~~regulation~~ rule;

SECTION 536. Arkansas Code § 8-6-207(b)(2) and (3), concerning the powers and duties of the Arkansas Department of Environmental Quality and the

Arkansas Pollution Control and Ecology Commission under the Arkansas Solid Waste Management Act, are amended to read as follows:

(2) Promulgation of rules~~, regulations,~~ and procedures not otherwise governed by applicable law which the commission deems necessary to secure public participation in environmental decision-making processes;

(3) Promulgation of rules ~~and regulations~~ governing administrative procedures for challenging or contesting department actions;

SECTION 537. Arkansas Code § 8-6-207(b)(10), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission under the Arkansas Solid Waste Management Act, is amended to read as follows:

(10) To adopt, after notice and public hearing, and to promulgate, modify, repeal, and enforce rules ~~and regulations~~ for the source reduction, minimization, recycling, collection, transportation, processing, storage, and disposal of solid wastes, including, but not limited to, the disposal site location and the construction, operation, and maintenance of the disposal site or disposal process as necessary or appropriate to implement or effectuate the purposes and intent of this subchapter and the powers and duties of the commission under this subchapter.

SECTION 538. Arkansas Code § 8-6-208(a), concerning the existing rules of the Arkansas Pollution Control and Ecology Commission under the Arkansas Solid Waste Management Act, is amended to read as follows:

(a) All existing rules ~~and regulations~~ of the Arkansas Pollution Control and Ecology Commission relating to subjects embraced within this subchapter shall remain in full force and effect until expressly repealed, amended, or superseded by the commission.

SECTION 539. Arkansas Code § 8-6-211(a), concerning municipal solid waste management systems under the Arkansas Solid Waste Management Act, is amended to read as follows:

(a) All municipalities shall provide a solid waste management system which will adequately provide for the collection and disposal of all solid wastes generated or existing within the incorporated limits of the municipality or in the area to be served and in accordance with the rules~~,~~

~~regulations,~~ and orders of the Arkansas Pollution Control and Ecology Commission. The governing body of the municipality may enter into agreements with one (1) or more other municipalities, counties, a regional solid waste management district, private persons or trusts, or with any combination thereof, to provide a solid waste management system, or any part of a system, for the municipality, but the agreement shall not relieve the parties of their responsibilities under this subchapter.

SECTION 540. Arkansas Code § 8-6-211(e), concerning municipal solid waste management systems under the Arkansas Solid Waste Management Act, is amended to read as follows:

(e) The governing body of a municipality shall have the right to establish policies for and enact laws concerning all phases of the operation of a solid waste management system, including hours of operation, the character and kinds of wastes accepted at the disposal site, the separation of wastes according to type by those generating them prior to collection, the type of container for storage of wastes, the prohibition of the diverting of recyclable materials by persons other than the generator or collector of the recyclable material, the prohibition of burning of wastes, the pretreatment of wastes, and such other rules as may be necessary or appropriate, so long as the laws, policies, and rules are consistent with, in accordance with, and not more restrictive than those adopted by, under, or pursuant to this subchapter or any laws, rules, ~~regulations,~~ or orders adopted by state law or incorporated by reference from federal law, the commission, or the regional solid waste management boards or districts, unless:

(1) There exists a fully implemented comprehensive area-wide zoning plan and corresponding laws or ordinances covering the entire municipality; or

(2) The municipality has made a request to the regional solid waste management board or district to adopt a more restrictive rule, ~~regulation,~~ order, or standard and no public hearing has been held within sixty (60) days or the request has not been acted upon within ninety (90) days.

SECTION 541. Arkansas Code § 8-6-221 is amended to read as follows:

8-6-221. Review of rules ~~and regulations~~.

All rules ~~and regulations~~ adopted under this subchapter shall be reviewed by the interim House Committee on Public Health, Welfare, and Labor and interim Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees of the committees.

SECTION 542. Arkansas Code § 8-6-503(4), concerning the definition of "illegal dump" under the Illegal Dump Eradication and Corrective Action Program Act, is amended to read as follows:

(4) "Illegal dump" means any place at which solid waste is placed, deposited, abandoned, dumped, or otherwise disposed of in a manner that is prohibited by this subchapter or other statutes~~,~~ or rules, ~~or regulations,~~ and which constitutes one (1) of the following:

(A) An attractive nuisance;

(B) A fire, health, or safety hazard;

(C) A potential source of surface or groundwater contamination; or

(D) Other contamination that is hazardous to the public health or endangers the environment;

SECTION 543. Arkansas Code § 8-6-602(d), concerning the duties of the Department of Environmental Quality under the Solid Waste Management and Recycling Fund Act, is amended to read as follows:

(d) The department and the Arkansas Pollution Control and Ecology Commission shall promulgate and implement policies, rules, ~~regulations,~~ and procedures for administering the terms of this subchapter.

SECTION 544. Arkansas Code § 8-6-606(d)(1)(A), concerning landfill disposal fees under the Solid Waste Management and Recycling Fund Act, is amended to read as follows:

(d)(1)(A) By January 1, 2004, all permitted facilities identified by ~~regulation~~ rule of the Arkansas Pollution Control and Ecology Commission as Class 1 and Class 3C landfills, except those permitted landfills that shall comply with closure requirements before January 1, 2005, shall install scales and commence weighing all solid waste received at the landfill.

SECTION 545. Arkansas Code § 8-6-610 is amended to read as follows:

8-6-610. Rules ~~and regulations~~.

(a) The Arkansas Pollution Control and Ecology Commission may adopt reasonable rules ~~and regulations~~ necessary to implement this subchapter, including without limitation:

(1) Collecting fees; and

(2) Setting priorities for the administration of this subchapter.

(b) The rules ~~and regulations~~ shall be reviewed by the House Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees of the House Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor.

SECTION 546. Arkansas Code § 8-6-613(d), concerning the computer and electronic equipment recycling program under the Solid Waste Management and Recycling Fund Act, is amended to read as follows:

(d) The Arkansas Pollution Control and Ecology Commission may adopt ~~regulations~~ rules necessary to implement an effective computer and electronic equipment recycling program.

SECTION 547. Arkansas Code § 8-6-615(d)(4), concerning distribution of funds to regional solid waste management districts under the Solid Waste Management and Recycling Fund Act, is amended to read as follows:

(4) The Arkansas Pollution Control and Ecology Commission may promulgate ~~regulations~~ rules necessary for funding and program reporting, accountability, and oversight under this subsection.

SECTION 548. Arkansas Code § 8-6-706(b)(2)(E), concerning solid waste landfill and transfer station permits, is amended to read as follows:

(E) Does not conflict with the requirements of state laws and rules or federal laws and regulations on the location of disposal facilities;

SECTION 549. Arkansas Code § 8-6-706(d)(6), concerning solid waste landfill and transfer station permits, is amended to read as follows:

(6) A detailed history of the applicant's record and that of the

stockholders and officers with respect to violations of environmental laws, rules, and regulations of the United States or any state or any political subdivision of any state; and

SECTION 550. Arkansas Code § 8-6-708 is amended to read as follows:

8-6-708. Procedures and ~~regulations~~ rules.

The Arkansas Pollution Control and Ecology Commission is authorized to prescribe procedures and ~~regulations~~ rules:

(1) To guide the initial and continued organization and operation of the respective boards in accordance with the purposes of this subchapter and § 8-6-801 et seq.;

(2) To assure public notice and participation prior to adoption of regional needs assessments, findings, or reports made by the boards;

(3) To defray some of the costs of the administration of this subchapter, including, but not limited to, inspections and technical review of submissions required by this subchapter by setting graduated surcharges upon any waste stream increase in excess of ten percent (10%) as a result of receipt of solid waste from outside the district; and

(4) To require prompt compliance with the requirements of this subchapter and § 8-6-801 et seq.

SECTION 551. Arkansas Code § 8-6-712(a)(1)(A), concerning the regulation of solid waste disposal, is amended to read as follows:

(1)(A) Require, by ~~regulation~~ rule or other legal means, that solid waste generated or collected within the boundaries of the district be delivered to a particular project for disposal, treatment, or other handling.

SECTION 552. Arkansas Code § 8-6-712(a)(2), concerning the regulation of solid waste disposal, is amended to read as follows:

(2) Prohibit, by ~~regulation~~ rule or other legal means, the collection of solid waste within the boundaries of the district by persons not properly licensed by the district;

SECTION 553. Arkansas Code § 8-6-712(a)(4) and (5), concerning the regulation of solid waste disposal, are amended to read as follows:

(4) Provide, by ~~regulation~~ rule or other legal means, that no

person, other than as may be designated by the district, shall engage in the collection or utilization of solid waste within the district which would be competitive with the purposes or activities of the district; and

(5) Covenant in connection with the issuance of bonds, notes, or other evidence of indebtedness to adopt any ~~regulation~~ rule described in subdivisions (a)(1), (a)(2), and (a)(4) of this section and that any ~~regulation~~ rule so adopted shall remain in full force and effect and shall be enforced so long as any bonds, notes, or other evidences of indebtedness remain outstanding.

SECTION 554. Arkansas Code § 8-6-712(d), concerning the regulation of solid waste disposal, is amended to read as follows:

(d) Furthermore, nothing in this subchapter shall prohibit the disposal of dead animal carcasses through means which are otherwise permitted by state law or ~~regulation~~ rule.

SECTION 555. Arkansas Code § 8-6-714(a)(1)(B)(i)(a), concerning the rents, fees and charges established by a regional solid waste management board, is amended to read as follows:

(a) Enforce all local ordinances, statutes, rules, and regulations for which the district has been previously given enforcement authority regarding solid waste including the Illegal Dump Eradication and Corrective Action Program Act, § 8-6-501 et seq.; and

SECTION 556. Arkansas Code § 8-6-718 is amended to read as follows:

8-6-718. Waste tire collection center.

Beginning July 1, 1993, each regional solid waste management board shall establish a waste tire collection center at which residents of the district may dispose of their waste motor vehicle tires at no cost except as provided by ~~regulation~~ rule of the Arkansas Pollution Control and Ecology Commission or the board.

SECTION 557. Arkansas Code § 8-6-720(b), concerning recyclable materials collection centers, is amended to read as follows:

(b) The Arkansas Department of Environmental Quality shall determine by ~~regulation~~ rule the adequacy of the facilities and the number and type of

recyclable materials for which the services in this section must be provided.

SECTION 558. Arkansas Code § 8-6-722 is amended to read as follows:

8-6-722. Penalties.

Any person who violates this subchapter or any ~~regulation~~ rule of the Arkansas Pollution Control and Ecology Commission or of a regional solid waste management board shall be deemed guilty of a misdemeanor. Upon conviction, the person shall be subject to imprisonment for not more than thirty (30) days or a fine of not more than one thousand dollars ($1,000), or both imprisonment and fine.

SECTION 559. Arkansas Code § 8-6-902 is amended to read as follows:

8-6-902. Penalties — Procedures.

(a) Any person who violates any provision of this subchapter or of any rule~~, regulation,~~ or order issued pursuant thereto, shall be subject to the same penalty and enforcement provisions as are contained in the Arkansas Solid Waste Management Act, § 8-6-201 et seq.

(b) Except as otherwise provided in this subchapter, the procedure of the Arkansas Pollution Control and Ecology Commission for issuance of rules ~~and regulations~~, conduct of hearings, notice, power of subpoena, review of action on permits, right of appeal, presumptions, finality of actions, and related matters shall be as provided in §§ 8-4-101 — 8-4-106 and 8-4-201 — 8-4-230 of the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq., including, without limitation, §§ 8-4-205, 8-4-210, 8-4-212 — 8-4-214, and 8-4-218 — 8-4-229.

(c) All rules ~~and regulations~~ adopted under this subchapter shall be reviewed by the interim House Committee on Public Health, Welfare, and Labor and the interim Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees of the committees.

SECTION 560. Arkansas Code § 8-6-905(a), concerning the powers and duties of the Arkansas Pollution Control and Ecology Commission regarding licensing of operators of solid waste management facilitates, is amended to read as follows:

(a) The Arkansas Pollution Control and Ecology Commission, with the advice and assistance of the licensing committee, is given and charged with

the power and duty to adopt rules ~~and regulations~~ implementing and effectuating such powers and duties of the Arkansas Department of Environmental Quality and the licensing committee under this subchapter as may be necessary for the administration and enforcement of this subchapter.

SECTION 561. Arkansas Code § 8-6-905(b)(3), concerning the powers and duties of the Arkansas Pollution Control and Ecology Commission regarding licensing of operators of solid waste management facilitates, is amended to read as follows:

(3) To initiate enforcement actions or institute court proceedings, or both, to compel compliance with the provisions of this subchapter and rules ~~and regulations~~ issued under this subchapter.

SECTION 562. Arkansas Code § 8-6-906(b), concerning the classification of solid waste management facility operator licenses by the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(b) The Director of the Arkansas Department of Environmental Quality, with the advice and assistance of the licensing committee, shall license persons according to their qualifications to successfully operate solid waste management facilities within the classifications established and effectuated by rules ~~and regulations~~ promulgated by the commission.

SECTION 563. Arkansas Code § 8-6-907 is amended to read as follows:

8-6-907. Licensing.

All operators in responsible charge of public and private solid waste management facilities shall be duly licensed and certified as competent by the Director of the Arkansas Department of Environmental Quality under the provisions of this subchapter and under such rules ~~and regulations~~ as the Arkansas Pollution Control and Ecology Commission may adopt, with the advice and assistance of the licensing committee, pursuant to the authority of this subchapter.

SECTION 564. Arkansas Code § 8-6-908(a), concerning the licensing, eligibility, and reciprocity of operators of solid waste management facilities, is amended to read as follows:

(a)(1) The Director of the Arkansas Department of Environmental

Quality shall license and certify all applicants for licenses under this subchapter who satisfy the requirements of this subchapter and the rules ~~and regulations~~ issued pursuant thereto.

(2) Licenses shall be granted according to the classifications of operator licenses established in the rules ~~and regulations~~ promulgated by the Arkansas Pollution Control and Ecology Commission.

(3) Licenses shall be valid for a period of one (1) year and, with the exception of the apprenticeship license, shall be renewable upon application if the applicant meets the renewal requirements established by commission ~~regulation~~ rule. Provisional certificates shall be for a period of one (1) year, but may be extended if the director determines there is sufficient justification.

SECTION 565. Arkansas Code § 8-6-908(c)-(e), concerning the licensing, eligibility, and reciprocity of operators of solid waste management facilities, are amended to read as follows:

(c) The director may, at his or her discretion, waive the requirements or any part of the requirements for formal examination of an applicant for a license if the applicant holds a valid license or certificate from another state in which the requirements for a license in the appropriate classification are at least equal to the requirements set forth in this subchapter and the rules ~~and regulations~~ issued pursuant thereto.

(d) The director shall issue an apprenticeship license to operators-in-training as established under this subchapter and in rules ~~and regulations~~ promulgated by the commission.

(e) The director may issue, at his or her discretion, a provisional certificate to any operator for just cause as established under this subchapter and in rules ~~and regulations~~ promulgated by the commission.

SECTION 566. Arkansas Code § 8-6-1002(e)(3), concerning the creation of the Landfill Post-Closure Trust Fund, is amended to read as follows:

(3) If the department is required to expend funds from the fund due to the failure of an owner or operator to meet the requirements of this subsection, the department shall pursue collection and recovery of the funds by issuing an administrative order notifying the owner or operator by certified mail at the last known address of the owner or operator of the

action taken by the department and the amount of funds expended from the fund and that the administrative order may be appealed in accordance with the department's ~~regulations~~ rules.

SECTION 567. Arkansas Code § 8-6-1105(c)(3), concerning exemptions to expand outside of a district landfill service area, is amended to read as follows:

(3) No new landfill shall be allowed to receive solid waste outside the boundaries of the district in which it is located unless it is a landfill where a private industry bears the expense of operating and maintaining the landfill solely for the disposal of wastes generated by the industry or of wastes of a similar kind or character and such industry has commenced, prior to March 1, 1991, the process for obtaining a permit by issuing notice to the local government having jurisdiction, as required under the rules ~~and regulations~~ of the Arkansas Department of Environmental Quality.

SECTION 568. Arkansas Code § 8-6-1105(c)(4)(B), concerning exemptions to expand outside of a district landfill service area, is amended to read as follows:

(B) Provided, the prohibition contained in this subsection shall not apply to new applications for landfill permits if the landfill is one where a private industry bears the expense of operating and maintaining the landfill solely for the disposal of wastes generated by the industry, or of wastes of a similar kind or character, and such industry has commenced, prior to March 1, 1991, the process for obtaining a permit by issuing notice to the local government having jurisdiction, as required under the rules ~~and regulations~~ of the department.

SECTION 569. Arkansas Code § 8-6-1105(d), concerning exemptions to expand outside of district landfill service area, is amended to read as follows:

(d) The director may grant an exemption from this section for solid waste brought into a district for the purpose of recycling or because the district where solid waste is generated does not have a landfill that meets applicable state rules or federal regulations. The exemption shall be subject

to such terms and conditions as the director may deem appropriate.

SECTION 570. Arkansas Code § 8-6-1201 is amended to read as follows:

8-6-1201. Legislative intent.

The purpose of this subchapter is to protect the public health and the state's environmental quality by establishing standards and promulgating ~~regulations~~ rules by the Arkansas Pollution Control and Ecology Commission for the disposal of potentially harmful materials, specifically incinerator ash and petroleum-contaminated soils in a permitted landfill.

SECTION 571. Arkansas Code § 8-6-1204(1), concerning the powers and duties of the Arkansas Pollution Control and Ecology Commission for disposal of incinerator ash and petroleum-contaminated soils, is amended to read as follows:

(1) To adopt rules ~~and regulations~~ to meet the purposes of this subchapter;

SECTION 572. Arkansas Code § 8-6-1204(4), concerning the powers and duties of the Arkansas Pollution Control and Ecology Commission for disposal of incinerator ash and petroleum-contaminated soils, is amended to read as follows:

(4) To administer and enforce all laws~~,~~ and rules~~, and regulations~~ relating to this subchapter.

SECTION 573. Arkansas Code § 8-6-1205(a)(2), concerning adoption of disposal criteria for petroleum-contaminated soils in landfills permitted under the Arkansas Solid Waste Management Act, is amended to read as follows:

(2) In adopting such criteria, the commission shall follow the procedures applicable to the adoption of rules ~~and regulations~~ under § 8-4-202(a).

SECTION 574. Arkansas Code § 8-6-1206(a)(2), concerning adoption of disposal criteria for incinerator ash in landfills permitted under the Arkansas Solid Waste Management Act, is amended to read as follows:

(2) In adopting such criteria, the commission shall follow the procedures applicable to the adoption of rules ~~and regulations~~ under § 8-4-

202(a).

SECTION 575. Arkansas Code § 8-6-1301(c)(1), concerning the legislative findings and purpose for the regulation of commercial medical waste incineration facilities, is amended to read as follows:

(1) Commercial-scale medical waste incinerators beginning operation after March 1, 1995, will be in compliance with the most recent operating standards and ~~regulations~~ rules;

SECTION 576. Arkansas Code § 8-6-1304(b)(1), concerning the applicability of the law to commercial medical waste incineration facilities in operation before March 20, 1992, is amended to read as follows:

(1) Complying with the rules or regulations or standards imposed by local, state, or federal government agencies; or

SECTION 577. Arkansas Code § 8-6-1305(e)(1)(C), concerning the permit procedure for commercial medical waste incineration facilities, is amended to read as follows:

(C) The department shall process the application as one for a new permit and apply the most current statutes, rules, regulations, technological standards, and operational controls as conditions precedent for granting a permit or operational authority.

SECTION 578. Arkansas Code § 8-6-1401 is amended to read as follows:

8-6-1401. Purpose.

The purpose of this subchapter is to protect the public health and safety by requiring the Arkansas Pollution Control and Ecology Commission to establish standards and promulgate ~~regulations~~ rules regarding the post-closure use of solid waste landfills and adjacent areas for residential purposes.

SECTION 579. Arkansas Code § 8-6-1402(1), concerning the powers and duties of the Arkansas Pollution Control and Ecology Commission to regulate residential use of landfills, is amended to read as follows:

(1) To adopt rules ~~and regulations~~ to meet the purposes of this subchapter;

SECTION 580. Arkansas Code § 8-6-1402(3), concerning the powers and duties of the Arkansas Pollution Control and Ecology Commission to regulate residential use of landfills, is amended to read as follows:

(3) To administer and enforce all laws~~,~~ and rules~~, and regulations~~ relating to this subchapter.

SECTION 581. Arkansas Code § 8-6-1403 is amended to read as follows:

8-6-1403. Rules ~~and regulations~~.

~~Within six (6) months after August 13, 1993, the~~ The Arkansas Pollution Control and Ecology Commission shall adopt rules ~~and promulgate regulations~~ for specific criteria:

(1) To limit any person, partnership, company, corporation, or other entity from building, erecting, or constructing any house or building for residential purposes upon any land used as or which has been used as a solid waste landfill; and

(2) To identify those houses and other buildings located on any land used as or which has been used as a solid waste landfill and are currently being used for residential purposes and to limit their future use for residential purposes.

SECTION 582. Arkansas Code § 8-6-1404(c), concerning prohibited land use of property formerly used as a landfill, is amended to read as follows:

(c)(1) The prohibitions of this subchapter and any rules ~~or regulations~~ promulgated under its authority shall be limited to application to the area of the land which was specifically used as a landfill for the placement and disposal of solid waste.

(2) The prohibitions of this subchapter and any rules ~~and regulations~~ promulgated under its authority shall not apply to landfills or the land which was specifically used as a landfill more than twenty-five (25) years before August 13, 1993.

SECTION 583. Arkansas Code § 8-6-1502(3)(B)(vii), concerning the definition of "high impact solid waste management facility" under the laws addressing the siting of high impact solid waste management facilities, is amended to read as follows:

(vii) An existing facility operating under the interim status of the federal Resource Conservation and Recovery Act or implementing ~~regulations~~ rules of the Arkansas Hazardous Waste Management Act of 1979, § 8-7-201 et seq., or the Arkansas Hazardous Waste Management Code; or

SECTION 584. Arkansas Code § 8-6-1601(b) and (c), concerning the procedure for posting financial assurance for all permitted solid waste management facilities, are amended to read as follows:

(b) The procedure for issuance of permits for solid waste management facilities shall be as provided in the rules ~~and regulations~~ adopted by the Arkansas Pollution Control and Ecology Commission under this subchapter or as otherwise provided by law.

(c)(1) After an application to operate a facility has been reviewed and approved but before a permit is issued, the applicant shall post with the Arkansas Department of Environmental Quality, on forms prescribed by the department in accordance with the ~~regulations~~ rules issued under this subchapter, a corporate surety bond for performance or an acceptable alternative, such as a certificate of deposit or letter of credit payable to the department and conditioned upon faithful performance of all requirements of this subchapter, the ~~regulations~~ rules issued pursuant to this subchapter, and the permit, including, but not limited to, proper closure of the facility.

(2) Liability under the bond shall be for the duration of the disposal operation and for that period required to properly close the facility and for post-closure care, in accordance with the ~~regulations~~ rules issued by the commission.

SECTION 585. Arkansas Code § 8-6-1602(3), concerning the definition of "closure plan" under the laws regarding financial assurance for permitted solid waste management facilitates, is amended to read as follows:

(3) “Closure plan” means a written plan that describes the steps necessary to close any solid waste management facility at any point during its active life in accordance with the design requirements in rules ~~and regulations~~ issued pursuant to this subchapter, as applicable;

SECTION 586. Arkansas Code § 8-6-1602(16), concerning the definition of "post-closure plan" under the laws regarding financial assurance for permitted solid waste management facilitates, is amended to read as follows:

(16) "Post-closure plan" means a written plan that provides a description of monitoring and maintenance activities required in rules ~~and regulations~~ issued pursuant to this subchapter and includes the frequency with which these activities will be performed;

SECTION 587. Arkansas Code § 8-6-1603(a)(1), concerning procedures for financial assurance for permitted solid waste management facilitates, is amended to read as follows:

(1) The owner or operator must have a detailed written estimate, in current dollars, of the cost of hiring a third party to close the largest area of the facility requiring closure as required under the ~~regulations~~ rules issued pursuant to this subchapter and the permit during the active life of the facility in accordance with the closure plan.

SECTION 588. Arkansas Code § 8-6-1603(a)(4), concerning procedures for financial assurance for permitted solid waste management facilitates, is amended to read as follows:

(4)(A) The owner or operator shall establish financial assurance for closure of any permitted solid waste management facility in compliance with the ~~regulations~~ rules issued pursuant to this subchapter and the permit.

(B) The owner or operator of any solid waste management facility shall provide continuous financial assurance coverage for closure until released from financial assurance requirements by demonstrating compliance with ~~regulations~~ rules issued pursuant to this subchapter and the permit.

(C) The amount of financial assurance shall be in accordance with § 8-6-1002(e) and the ~~regulations~~ rules issued in that subsection.

SECTION 589. Arkansas Code § 8-6-1603(b)(1), concerning procedures for financial assurance for permitted solid waste management facilitates, is amended to read as follows:

(1) The owner or operator shall have a detailed written

estimate, in current dollars, of the cost of hiring a third party to conduct post-closure care in compliance with the post-closure plan developed under the ~~regulations~~ rules issued pursuant to this subchapter and the permit.

SECTION 590. Arkansas Code § 8-6-1603(b)(4), concerning procedures for financial assurance for permitted solid waste management facilitates, is amended to read as follows:

(4)(A) The owner or operator shall establish financial assurance for costs of post-closure care of any permitted solid waste management facility in compliance with ~~regulations~~ rules issued pursuant to this subchapter and the permit.

(B) The owner or operator of any solid waste management facility shall provide continuous financial assurance coverage for post-closure care until released from financial assurance requirements for post-closure care by demonstrating compliance with ~~regulations~~ rules issued pursuant to this subchapter and the permit.

SECTION 591. Arkansas Code § 8-6-1603(c)(1), concerning procedures for financial assurance for permitted solid waste management facilitates, is amended to read as follows:

(1) The owner or operator, if required to undertake a corrective action program under ~~regulations~~ rules issued pursuant to this subchapter, shall have a detailed written estimate, in current dollars, of the cost of hiring a third party to perform the corrective action in accordance with ~~regulations~~ rules issued pursuant to this subchapter.

SECTION 592. Arkansas Code § 8-6-1603(c)(2)(B), concerning procedures for financial assurance for permitted solid waste management facilitates, is amended to read as follows:

(B) The owner or operator shall provide continuous coverage for corrective action until released from financial assurance requirements for corrective action by demonstrating compliance with ~~regulations~~ rules issued pursuant to this subchapter.

SECTION 593. Arkansas Code § 8-6-1603(d)(3), concerning procedures for

financial assurance for permitted solid waste management facilitates, is amended to read as follows:

(3) Owners and operators shall choose from the options specified in ~~regulations~~ rules issued pursuant to this subchapter.

SECTION 594. Arkansas Code § 8-6-1603(d)(4)(B), concerning procedures for financial assurance for permitted solid waste management facilitates, is amended to read as follows:

(B) The contract of obligation shall be a binding agreement on the municipality or county, allowing the director or his or her designee to collect any general revenues being disbursed or to be disbursed from the state to the municipality or county on the failure of the municipality or county to fulfill the financial assurance requirements of this subchapter and ~~regulations~~ rules issued pursuant to this subchapter.

SECTION 595. Arkansas Code § 8-6-1701(1), concerning the definition of "open burning" under the laws addressing open burning of residential yard waste, is amended to read as follows:

(1) “Open burning” shall mean, for the purposes of this subchapter, the incineration or combustion of waste materials as a method of disposal without any means to control the fuel/air ratio. None of the activities exempted from ~~regulation~~ rules as air pollution in § 8-4-305 or in ~~regulations~~ rules adopted by the Arkansas Pollution Control and Ecology Commission shall constitute “open burning”, provided such activities do not cause a fire or safety hazard; and

SECTION 596. Arkansas Code § 8-6-1904(d), concerning development and implantation of the Statewide Solid Waste Management Plan Act, is amended to read as follows:

(d) The Arkansas Pollution Control and Ecology Commission may adopt reasonable rules ~~and regulations~~ necessary to implement or effectuate the purposes and intent of this subchapter.

SECTION 597. Arkansas Code § 8-7-101(a)(2), concerning the definition of "hazardous materials" under the laws relating to civil liability of those assisting at accidents involving hazardous materials, is amended to read as

follows:

(2) "Hazardous materials" means all materials and substances which are designated or defined as hazardous by law or ~~regulation~~ rule of this state or by law or regulation of the federal government.

SECTION 598. Arkansas Code § 8-7-204(a)(1)(A), concerning criminal, civil, and administrative penalties under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(1)(A) Any person who violates any provision of this subchapter, who commits any unlawful act under it, or who violates any rule~~, regulation,~~ or order of the Arkansas Pollution Control and Ecology Commission or the Arkansas Department of Environmental Quality shall be guilty of a misdemeanor.

SECTION 599. Arkansas Code § 8-7-204(a)(2)(A)(i), concerning criminal, civil, and administrative penalties under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(i) Violate any provision of this subchapter, commit any unlawful act under it, or violate any rule~~, regulation,~~ or order of the commission or the department, and leave the state or remove his or her person from the jurisdiction of this state; or

SECTION 600. Arkansas Code § 8-7-204(b)(1), concerning criminal, civil, and administrative penalties under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(1) Restrain any violation of or compel compliance with the provisions of this subchapter and of any rules, ~~regulations,~~ orders, permits, or plans issued pursuant thereto;

SECTION 601. Arkansas Code § 8-7-204(b)(4), concerning criminal, civil, and administrative penalties under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(4) Assess civil penalties in an amount not to exceed twenty-five thousand dollars ($25,000) per day for violations of this subchapter and of any rules, ~~regulations,~~ permits, or plans issued pursuant to this subchapter; or

SECTION 602. Arkansas Code § 8-7-204(c), concerning criminal, civil, and administrative penalties under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(c) Any person who violates any provision of this subchapter and ~~regulations,~~ rules, permits, or plans issued pursuant to this subchapter may be assessed an administrative civil penalty not to exceed twenty-five thousand dollars ($25,000) per violation. Each day of a continuing violation may be deemed a separate violation for purposes of penalty assessment. No civil penalty may be assessed until the person charged with the violation has been given the opportunity for a hearing in accordance with ~~regulations~~ rules adopted by the commission. All hearings and appeals arising under this subchapter shall be conducted in accordance with the procedures prescribed by §§ 8-4-205, 8-4-212, and 8-4-218 — 8-4-229. The procedures of this subsection may also be used to recover all costs, expenses, and damages to the department and any other agency or subdivision of the state in enforcing or effectuating the provisions of this subchapter, including, but not limited to, natural resource damages.

SECTION 603. Arkansas Code § 8-7-205(1) and (2), concerning unlawful actions under the Arkansas Hazardous Waste Management Act of 1979, are amended to read as follows:

(1) Violate any provisions of this subchapter or of any rule, ~~regulation,~~ permit, or order adopted or issued under this subchapter;

(2) Knowingly make any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this subchapter or falsify, tamper with, or knowingly render inaccurate any monitoring device or method required to be maintained under this subchapter or any rules ~~or regulations~~ adopted pursuant thereto;

SECTION 604. Arkansas Code § 8-7-205(4), concerning unlawful actions under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(4) Store, collect, transport, treat, or dispose of any hazardous waste contrary to the rules, ~~regulations,~~ permits, or orders issued

under this subchapter or in such a manner or place as to create or as is likely to be created a public nuisance or a public health hazard or to cause or is likely to cause water or air pollution within the meaning of the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq.

SECTION 605. Arkansas Code § 8-7-206 is amended to read as follows:

8-7-206. Private right of action.

Any person adversely affected by a violation of this subchapter or of any rules~~, regulations,~~ or orders issued pursuant thereto shall have a private right of action for relief against such violation.

SECTION 606. Arkansas Code § 8-7-209(a)(1), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(1) To administer and enforce all laws~~,~~ and rules~~, and regulations~~ regarding hazardous waste management;

SECTION 607. Arkansas Code § 8-7-209(a)(6)-(9), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Hazardous Waste Management Act of 1979, are amended to read as follows:

(6) To make such investigations and inspections and to hold such hearings, after notice, as it may deem necessary or advisable for the discharge of its duties under this subchapter and to ensure compliance with this subchapter and any orders~~,~~ and rules~~, and regulations~~ issued pursuant thereto;

(7) To make, issue, modify, revoke, and enforce orders, after notice and hearing, prohibiting violation of any of the provisions of this subchapter or of any rules ~~and regulations~~ issued pursuant thereto or any permit issued thereunder, and requiring the taking of such remedial measures as may be necessary or appropriate to implement or effectuate the provisions and purposes of this subchapter;

(8)(A) To institute proceedings in the name of the Arkansas Department of Environmental Quality in any court of competent jurisdiction to compel compliance with and to restrain any violation of the provisions of

this subchapter or any rules~~, regulations,~~ and orders issued pursuant thereto or any permit issued thereunder, and require the taking of such remedial measures as may be necessary or appropriate to implement or effectuate the provisions and purposes of this subchapter.

(B) In any civil action in which a temporary restraining order, preliminary injunction, or permanent injunction is sought, it shall not be necessary to allege or prove at any stage of the proceeding that irreparable damage will occur should the requested relief not be granted, nor that the remedy at law is inadequate;

(9) To initiate, conduct, and support research, demonstration projects, and investigations, and coordinate all state agency research programs pertaining to hazardous waste management, and establish technical advisory committees to assist in the development of procedures, standards, criteria, and rules ~~and regulations~~, the members of which may be reimbursed for travel expenses in accordance with § 25-16-901 et seq.;

SECTION 608. Arkansas Code § 8-7-209(b)(1), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(1) To adopt, after notice and public hearing, and to promulgate, modify, repeal, and enforce rules ~~and regulations~~ regarding hazardous waste management as may be necessary or appropriate to implement or effectuate the purposes and intent of this subchapter and the powers and duties of the Arkansas Department of Environmental Quality under it, including, but not limited to, rules ~~and regulations~~ for:

(A) The containerization and labeling of hazardous wastes, which rules, to the extent practicable, shall be consistent with those issued by the United States Department of Transportation, the United States Environmental Protection Agency, the State Highway Commission, and the Arkansas Department of Transportation;

(B) Establishing standards and procedures for the safe operation and maintenance of facilities;

(C) Identifying those wastes or combination of wastes which are incompatible and which may not be stored or disposed of together and procedures for preventing the storage, disposal, recovery, or treatment

of incompatible wastes together;

(D) The reporting of hazardous waste management activities;

(E) Establishing standards and procedures for the certification of supervisory personnel at hazardous waste treatment or disposal facilities or sites as required under § 8-7-219(3); and

(F) Establishing a manifest system for the transport of hazardous waste and prohibiting the receipt of hazardous waste at storage, processing, recovery, disposal, or transport facilities or sites without a properly completed manifest;

SECTION 609. Arkansas Code § 8-7-209(b)(2)(A), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(2)(A) In promulgation of such rules ~~and regulations~~, prior to the submittal to public comment and review of any rule~~, regulation,~~ or change to any rule ~~or regulation~~ that is more stringent than federal requirements, the Arkansas Pollution Control and Ecology Commission shall duly consider the economic impact and the environmental benefit of such rule ~~or regulation~~ on the people of the State of Arkansas, including those entities that will be subject to the ~~regulation~~ rule.

SECTION 610. Arkansas Code § 8-7-209(b)(2)(D), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(D) Upon completion of the public comment period, the Arkansas Pollution Control and Ecology Commission shall compile a rulemaking record or response to comments demonstrating a reasoned evaluation of the relative impact and benefits of the more stringent ~~regulation~~ rule;

SECTION 611. Arkansas Code § 8-7-209(b)(3) and (4), concerning the powers and duties of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission under the Arkansas Hazardous Waste Management Act of 1979, are amended to read as follows:

(3) Promulgation of rules~~, regulations,~~ and procedures not otherwise governed by applicable law which the Arkansas Pollution Control and Ecology Commission deems necessary to secure public participation in environmental decision-making processes;

(4) Promulgation of rules ~~and regulations~~ governing administrative procedures for challenging or contesting Arkansas Department of Environmental Quality actions;

SECTION 612. Arkansas Code § 8-7-210(a), concerning the existing rules of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(a) All existing rules ~~and regulations~~ of the Arkansas Department of Environmental Quality not inconsistent with the provisions of this subchapter relating to subjects embraced within this subchapter shall remain in full force and effect until expressly repealed, amended, or superseded by the Arkansas Pollution Control and Ecology Commission, insofar as the rules ~~and regulations~~ do not conflict with the provisions of this subchapter.

SECTION 613. Arkansas Code § 8-7-210(d), concerning the existing rules of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(d) The provisions of this subchapter and the rules ~~and regulations~~ promulgated pursuant to it shall govern if they conflict with the provisions of the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq., or the Arkansas Solid Waste Management Act, § 8-6-201 et seq., or any action taken by the department or commission under those laws.

SECTION 614. Arkansas Code § 8-7-212(b), concerning the administrative considerations of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(b) To the extent practicable, the rules~~, regulations,~~ and procedures adopted by the department pursuant to this subchapter shall be consistent with other environmentally related rules~~, regulations,~~ and procedures of the

department. In administering the provisions of this subchapter and of all other laws under the administration of the department, the department and the Arkansas Pollution Control and Ecology Commission shall coordinate and expedite the issuance of permits required by an applicant under one (1) or more laws, to the end of eliminating, insofar as practicable, any duplication of unnecessary time and expense to the applicant and the department.

SECTION 615. Arkansas Code § 8-7-213 is amended to read as follows:

8-7-213. Procedure generally.

The procedure of the Arkansas Department of Environmental Quality and Arkansas Pollution Control and Ecology Commission for issuance of rules ~~and regulations~~, conduct of hearings, notice, power of subpoena, review of action on permits, right of appeal, presumptions, finality of actions, and related matters shall be as provided in §§ 8-4-101 et seq. and 8-4-201 et seq., including, but not limited to, §§ 8-4-205, 8-4-210, 8-4-212 — 8-4-214, and 8-4-218 — 8-4-229 if they are not in conflict with the provisions set forth in this subchapter.

SECTION 616. Arkansas Code § 8-7-218 is amended to read as follows:

8-7-218. Permits — Compliance with subchapter, state and federal standards, regulations, etc.

(a) No permits shall be issued by the Arkansas Department of Environmental Quality for any facility unless the department, after opportunity for public comment, has determined that the facility has been designed and will be operated in such manner that any emission from the facility will comply with the provisions of this subchapter and all applicable state and federal standards and <u>state rules and federal</u> regulations concerning air and water quality and that the transfer, handling, and storage of materials within the facility will not cause conditions which would violate state and federal standards concerning worker safety or create unreasonable hazards to the environment or to the health and welfare of the people living and working in or near the facility.

(b)(1) No permit shall be issued by the department for any commercial disposal or storage facility off the site where the hazardous waste is generated until the department has adopted rules, ~~regulations,~~ standards, and procedures pursuant to § 8-7-209.

(2) The rules, ~~regulations,~~ standards, procedures, or other requirements adopted and imposed by the department shall not be less stringent than the regulations promulgated or revised by the United States Environmental Protection Agency pursuant to the federal Resource Conservation and Recovery Act of 1976.

(c) No permit shall be issued for hazardous waste treatment, storage, or disposal facilities except under the terms of ~~regulations~~ rules of the department which conform to the provisions of § 3005 of the federal Resource Conservation and Recovery Act.

SECTION 617. Arkansas Code § 8-7-220(a) and (b), concerning permit renewals by the Arkansas Department of Environmental Quality under the Arkansas Hazardous Waste Management Act of 1979, are amended to read as follows:

(a) Permits shall be issued for a period not to exceed ten (10) years. However, land disposal permits shall be reviewed five (5) years from the date of issuance or reissuance and shall be modified as necessary to assure that the facility continues to comply with the currently applicable laws and ~~regulations~~ rules.

(b) Permits shall be subject to renewal by the Arkansas Department of Environmental Quality upon a showing that the facility has been operated in accordance with the terms of the permit, the rules ~~and regulations~~ applicable to such facility, and in compliance with all other provisions of this subchapter.

SECTION 618. Arkansas Code § 8-7-221 is amended to read as follows:

8-7-221. Permits — Revocation.

Any permit issued under §§ 8-7-215 — 8-7-220 shall be subject to revocation for failure of the permittee to comply with the terms and conditions of the permit, the rules ~~and regulations~~ of the Arkansas Department of Environmental Quality applicable thereto, or the provisions of this subchapter.

SECTION 619. Arkansas Code § 8-7-224(a), concerning the rules for transporting hazardous waste, is amended to read as follows:

(a)(1) Following notice and public hearing, the Arkansas Department of

Transportation, in consultation with the Arkansas Department of Environmental Quality, shall issue rules ~~and regulations~~ for the transportation of hazardous wastes.

(2) The rules ~~and regulations~~ shall be consistent with applicable rules and regulations issued by the United States Department of Transportation and with any rules~~, regulations,~~ and standards issued by the Arkansas Department of Environmental Quality under this subchapter.

SECTION 620. Arkansas Code § 8-7-225(a), concerning records and examinations under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(a) The owner or operator of any hazardous waste management facility or site shall notify the Arkansas Department of Environmental Quality as to hazardous waste management activities in accordance with the requirements of this subchapter and ~~regulations~~ rules, permits, and orders issued under this subchapter, and shall establish and maintain such records, make such reports, install, use, and maintain such monitoring equipment or methods, take such samples, perform such tests, and provide such other information to the department as the Director of the Arkansas Department of Environmental Quality may reasonably require.

SECTION 621. Arkansas Code § 8-7-226(a), concerning fees and establishment of the Hazardous Waste Permit Fund under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(a) The Arkansas Pollution Control and Ecology Commission shall have authority to establish by ~~regulation~~ rule a schedule of fees to recover the costs of processing permit applications and permit renewal proceedings, on-site inspections and monitoring, the certification of personnel to operate hazardous waste treatment, storage, or disposal facilities, and other activities of Arkansas Department of Environmental Quality personnel which are reasonably necessary to assure that generators and transporters of hazardous waste and hazardous waste management facilities are complying with the provisions of this subchapter and which reasonably should be borne by the transporter, generator, or owner or operator of the hazardous waste management facility.

SECTION 622. Arkansas Code § 8-7-226(d), concerning fees and establishment of the Hazardous Waste Permit Fund under the Arkansas Hazardous Waste Management Act of 1979, is amended to read as follows:

(d) The commission is hereby authorized to promulgate such rules ~~and regulations~~ as are necessary to administer the fees, rates, tolls, or charges for services established by this section and is directed to prescribe such fees, rates, tolls, or charges for the services delivered by the department or its successor in such manner as may be necessary to support the programs of the department as directed by the Governor and the General Assembly.

SECTION 623. Arkansas Code § 8-7-307(a)(1)-(3), concerning unlawful actions or omissions of third parties under the Arkansas Resource Reclamation Act of 1979, are amended to read as follows:

(1) Violate a provision of this subchapter or of any rule, ~~regulation,~~ permit, or order issued under this subchapter;

(2) Transport hazardous wastes into or out of the state, except as provided by ~~regulations~~ rule established by the Arkansas Department of Environmental Quality pursuant to the provisions of this subchapter; or

(3) Dispose of hazardous wastes in the state except as provided by ~~regulations~~ rules established by the department pursuant to this subchapter.

SECTION 624. Arkansas Code § 8-7-307(b)(2)(A), concerning unlawful actions or omissions of third parties under the Arkansas Resource Reclamation Act of 1979, is amended to read as follows:

(2)(A) A person who violates this section or the ~~regulations~~ rules issued under this subchapter, or who violates any condition of a permit issued under this subchapter, may be assessed a civil penalty by the Arkansas Pollution Control and Ecology Commission under administrative procedures and civil penalty ~~regulations~~ rules of the commission.

SECTION 625. Arkansas Code § 8-7-307(c), concerning unlawful actions or omissions of third parties under the Arkansas Resource Reclamation Act of 1979, is amended to read as follows:

(c) A person is not liable for violating a provision of this subchapter or of any rule, ~~regulation,~~ permit, or order issued under this

subchapter if the violation was caused solely by the acts or omissions of a third party.

SECTION 626. Arkansas Code § 8-7-308(2)-(4), concerning powers and duties of the Arkansas Department of Environmental Quality under the Arkansas Resource Reclamation Act of 1979, are amended to read as follows:

(2) To adopt such ~~regulations~~ rules as may be necessary and appropriate to enforce within the state the terms of any interstate agreement or compact developed pursuant to the provisions of this subchapter;

(3) To promote the purposes of this subchapter and to effectuate and implement interstate agreements by imposing reasonable conditions on permits issued under this subchapter and the Arkansas Hazardous Waste Management Act of 1979, § 8-7-201 et seq. and the ~~regulations~~ rules promulgated under this subchapter and those sections;

(4) To prohibit, by ~~regulation~~ or rule or by condition of permit, the disposal of any hazardous wastes within the state unless the owner or custodian of the wastes can demonstrate to the reasonable satisfaction of the director that it is technically or economically infeasible for the wastes to be treated;

SECTION 627. Arkansas Code § 8-7-308(6), concerning powers and duties of the Arkansas Department of Environmental Quality under the Arkansas Resource Reclamation Act of 1979, is amended to read as follows:

(6) To adopt and enforce ~~regulations~~ rules which would require the owners, operators, or other responsible parties of inactive or abandoned disposal sites to undertake such actions as are reasonable to prevent environmental contamination;

SECTION 628. Arkansas Code § 8-7-503(6)(A)(iii), concerning the definition of "hazardous substance" under the Remedial Action Trust Fund Act, is amended to read as follows:

(iii) Hazardous waste, including polychlorinated biphenyls, as defined by the Arkansas Hazardous Waste Management Act of 1979, § 8-7-201 et seq., and the ~~regulations~~ rules promulgated thereunder;

SECTION 629. Arkansas Code § 8-7-503(6)(B), concerning the definition

of "hazardous substance" under the Remedial Action Trust Fund Act, is amended to read as follows:

(B) Any other substance or pollutant designated by ~~regulations~~ rules of the commission promulgated under this subchapter;

SECTION 630. Arkansas Code § 8-7-503(13), concerning the definition of "treatment", "storage", "disposal", "generation, and "hazardous waste" under the Remedial Action Trust Fund Act, is amended to read as follows:

(13) "Treatment", "storage", "disposal", "generation", and "hazardous waste" shall have the meanings provided in § 8-7-203 and the ~~regulations~~ rules promulgated pursuant to the Arkansas Hazardous Waste Management Act of 1979, § 8-7-201 et seq.

SECTION 631. Arkansas Code § 8-7-505(1) and (2), concerning unlawful acts under the Remedial Action Trust Fund Act, are amended to read as follows:

(1) To violate any provision of this subchapter or any rule ~~or regulation~~ adopted under this subchapter;

(2) To knowingly make a false statement, representation, or certification in any report or other document filed or required by this subchapter or the rules ~~and regulations~~ adopted pursuant to this subchapter; or

SECTION 632. Arkansas Code § 8-7-506 is amended to read as follows:

8-7-506. ~~Regulations~~ Rules — Administrative procedure.

The Arkansas Pollution Control and Ecology Commission shall adopt ~~regulations~~ rules under this subchapter necessary to implement or effectuate the purposes and intent of this subchapter, including, but not limited to, ~~regulations~~ rules affording any persons aggrieved by any order issued pursuant to this subchapter an opportunity for a hearing thereon and commission review of the action.

SECTION 633. Arkansas Code § 8-7-508(d), concerning remedial and removal authority of the Arkansas Department of Environmental Quality under the Remedial Action Trust Fund Act, is amended to read as follows:

(d) In taking removal or remedial actions pursuant to this subchapter,

the department or any contractor of the department under this section shall not be required to obtain any state or local permit for the portion of any removal or remedial action conducted pursuant to this subchapter entirely on site when the removal or remedial action is otherwise carried out in compliance with the ~~regulations~~ rules of the department.

SECTION 634. Arkansas Code § 8-7-518(b)(1)(B), concerning fees on the generation of hazardous waste under the Remedial Action Trust Fund Act, is amended to read as follows:

(B) The fees shall be calculated and paid according to a schedule to be adopted by ~~regulation~~ rule of the Arkansas Pollution Control and Ecology Commission, not to exceed a maximum of ten thousand dollars ($10,000) annually per facility.

SECTION 635. Arkansas Code § 8-7-518(b)(2)(A), concerning fees on the generation of hazardous waste under the Remedial Action Trust Fund Act, is amended to read as follows:

(2)(A) No person shall be required to pay fees based on the quantity of hazardous wastes generated when such wastes are managed in a totally enclosed treatment facility, an elementary neutralization unit, or a wastewater treatment unit, or when the wastes are otherwise excluded by ~~regulation~~ rule from inclusion in a facility's determination of its compliance status or category as a generator.

SECTION 636. Arkansas Code § 8-7-518(d), concerning fees on the generation of hazardous waste under the Remedial Action Trust Fund Act, is amended to read as follows:

(d) To the extent practicable, the department shall coordinate the reporting requirements of this section with the reporting requirements of the Arkansas Hazardous Waste Management Act of 1979, § 8-7-201 et seq., and the ~~regulations~~ rules adopted thereunder. The content of the reporting shall be consistent with federal reporting requirements pursuant to the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq., in all respects with the exception of frequency.

SECTION 637. Arkansas Code § 8-7-519 is amended to read as follows:

8-7-519. Appeals.

An appeal may be taken from any final order of the Arkansas Department of Environmental Quality under this subchapter as provided in §§ 8-4-202, 8-4-210, 8-4-212—8-4-214, 8-4-218, 8-4-219, and 8-4-221 — 8-4-229 and in accordance with ~~regulations~~ rules promulgated by the Arkansas Pollution Control and Ecology Commission under this subchapter.

SECTION 638. Arkansas Code § 8-7-524(e)(1)(B), concerning recycling transactions under the Remedial Action Trust Fund Act, is amended to read as follows:

(B) Was in compliance with any applicable ~~regulations~~ rules or standards regarding the storage, transport, management, or other activities associated with the recycling of scrap metal that the Arkansas Pollution Control and Ecology Commission promulgates after the enactment of this section and with regard to transactions occurring after the effective date of those ~~regulations~~ rules or standards; and

SECTION 639. Arkansas Code § 8-7-524(f)(1)(B), concerning recycling transactions under the Remedial Action Trust Fund Act, is amended to read as follows:

(B) With respect to transactions involving lead-acid batteries, was in compliance with applicable federal regulations or standards and Arkansas environmental ~~regulations~~ rules or standards, and any amendments thereto, regarding the storage, transport, management, or other activities associated with the recycling of spent lead-acid batteries;

SECTION 640. Arkansas Code § 8-7-524(f)(2) and (3), concerning recycling transactions under the Remedial Action Trust Fund Act, are amended to read as follows:

(2) With respect to transactions involving nickel-cadmium batteries, federal regulations or standards and Arkansas environmental ~~regulations~~ rules or standards were in effect regarding the storage, transport, management, or other activities associated with the recycling of spent nickel-cadmium batteries, and the person was in compliance with applicable regulations, rules, or standards or any amendments thereto; or

(3) With respect to transactions involving other spent

batteries, federal regulations or standards and Arkansas environmental ~~regulations~~ rules or standards were in effect regarding the storage, transport, management, or other activities associated with the recycling of those batteries, and the person was in compliance with applicable regulations, rules, or standards or any amendments thereto.

SECTION 641. Arkansas Code § 8-7-524(g)(1)(A)(iii), concerning recycling transactions under the Remedial Action Trust Fund Act, is amended to read as follows:

(iii) For transactions occurring before ninety (90) days after the date of the enactment of this section, that the consuming facility was not in compliance with a substantive, not procedural or administrative, provision of any federal, state, or local environmental law, rule, or regulation or compliance order or decree issued pursuant thereto, applicable to the handling, processing, reclamation, or other management activities associated with the recyclable material;

SECTION 642. Arkansas Code § 8-7-524(i), concerning recycling transactions under the Remedial Action Trust Fund Act, is amended to read as follows:

(i) The commission is authorized to promulgate additional rules ~~and regulations~~ concerning this section.

SECTION 643. Arkansas Code § 8-7-524(l)(1) and (2), concerning recycling transactions under the Remedial Action Trust Fund Act, are amended to read as follows:

(1) Liability under any other federal, Arkansas, or local statute, rule, or regulation promulgated pursuant to any such statute, including any requirements promulgated by the commission under the Arkansas Hazardous Waste Management Act of 1979, § 8-7-201 et seq.; or

(2) The ability of the commission to promulgate ~~regulations~~ rules under any other statute, including the Arkansas Hazardous Waste Management Act of 1979, § 8-7-201 et seq.

SECTION 644. Arkansas Code § 8-7-802(a)(1), concerning the powers and duties of the Arkansas Pollution Control and Ecology Commission and the

Arkansas Department of Environmental Quality under the regulated substance storage tank laws, is amended to read as follows:

(1) To promulgate, after notice and public hearing, and to modify, repeal, and enforce, as necessary or appropriate to implement or effectuate the purposes and intent of this subchapter, rules ~~and regulations~~ relating to an underground storage tank release detection, prevention, corrective action, and financial responsibility program as required by the federal Resource Conservation and Recovery Act of 1976 and the Energy Policy Act of 2005, Pub. L. No. 109-58; and

SECTION 645. Arkansas Code § 8-7-802(a)(2)(A), concerning the powers and duties of the Arkansas Pollution Control and Ecology Commission and the Arkansas Department of Environmental Quality under the regulated substance storage tank laws, is amended to read as follows:

(2)(A) To set reasonable fees for licensure of individuals and annual registration of underground storage tanks and aboveground storage tanks by rule ~~or regulation~~.

SECTION 646. Arkansas Code § 8-7-803 is amended to read as follows:

8-7-803. ~~Regulations~~ Rules generally.

Any ~~regulations~~ rules promulgated under this subchapter shall as much as possible be identical to and no more stringent than the federal regulations adopted by the United States Environmental Protection Agency.

SECTION 647. Arkansas Code § 8-7-804 is amended to read as follows:

8-7-804. Procedures of department generally.

The procedure of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission for issuance of rules ~~and regulations~~, conduct of hearings, notice, power of subpoena, review of action on permits, right of appeal, presumptions, finality of actions, and related matters shall be as provided in §§ 8-4-101 — 8-4-106 and 8-4-201 — 8-4-229, including, but not limited to, §§ 8-4-205, 8-4-210, 8-4-212 — 8-4-214, and 8-4-218 — 8-4-229 to the extent they are not in conflict with the provisions of this subchapter.

SECTION 648. Arkansas Code § 8-7-805(b)(1)(B), concerning the Arkansas

Department of Environmental Quality's licensing requirement under the regulated substance storage tank laws, is amended to read as follows:

(B) Which provides that the department is the obligee or payee of the instrument and otherwise complies with the ~~regulations~~ rules promulgated under this subchapter.

SECTION 649. Arkansas Code § 8-7-805(d), concerning the Arkansas Department of Environmental Quality's licensing requirement under the regulated substance storage tank laws, is amended to read as follows:

(d) In the event the licensee or contracting company fails to properly install, remove, repair, close, upgrade, or test any underground storage tank pursuant to state law or ~~regulation~~ rule, the Director of the Arkansas Department of Environmental Quality shall commence proceedings to collect on the surety bond, letter of credit, or cash bond on which the department is the obligee or payee.

SECTION 650. Arkansas Code § 8-7-806(a)(1) and (2), concerning penalties under the regulated substance storage tank laws, are amended to read as follows:

(1) To violate any provision of this subchapter or any rule ~~or regulation~~ adopted under this subchapter;

(2) To knowingly make a false statement, representation, or certification in any report or other document submitted under or required by this subchapter or the Petroleum Storage Tank Trust Fund Act, § 8-7-901 et seq., or any rule ~~or regulation~~ issued pursuant thereto; or

SECTION 651. Arkansas Code § 8-7-806(c), concerning penalties under the regulated substance storage tank laws, is amended to read as follows:

(c) Any owner or operator who fails to give any notification regarding storage tanks required by this subchapter or any ~~regulation~~ rule issued pursuant to this subchapter shall be subject to a civil penalty not to exceed ten thousand dollars ($10,000) for each storage tank for which notification is not given.

SECTION 652. Arkansas Code § 8-7-806(d)(1), concerning penalties under the regulated substance storage tank laws, is amended to read as follows:

(d)(1) Any person who violates any provision of this subchapter or of any rule, ~~regulation,~~ permit, certification, license, plan, or order issued pursuant thereto or who commits an unlawful act hereunder may be assessed an administrative civil penalty not to exceed ten thousand dollars ($10,000) per violation or unlawful act.

SECTION 653. Arkansas Code § 8-7-806(d)(4), concerning penalties under the regulated substance storage tank laws, is amended to read as follows:

(4) No civil penalty may be assessed until the person charged with the violation or unlawful act has been given the opportunity for a hearing in accordance with ~~regulations~~ rules adopted by the Arkansas Pollution Control and Ecology Commission.

SECTION 654. Arkansas Code § 8-7-806(e)(1), concerning penalties under the regulated substance storage tank laws, is amended to read as follows:

(1) Restrain any violation of or compel compliance with the provisions of this subchapter or of any rule, ~~regulation,~~ permit, certification, license, plan, or order issued pursuant to this subchapter or restrain the commission of any unlawful act under this section;

SECTION 655. Arkansas Code § 8-7-806(e)(4), concerning penalties under the regulated substance storage tank laws, is amended to read as follows:

(4) Assess civil penalties in an amount not to exceed ten thousand dollars ($10,000) per day for violations of this subchapter or of any rule, ~~regulation,~~ permit, certification, license, plan, or order issued pursuant to this subchapter or for any unlawful act under this section;

SECTION 656. Arkansas Code § 8-7-807(a)(2), concerning the responsibility and liability of an owner for a release of a regulated substance from a storage tank, is amended to read as follows:

(2) However, the obligation of an owner or operator of an aboveground storage tank to notify the department or undertake the other activities required in this subsection shall not exceed and will be limited to the existing requirements of any other applicable federal ~~or state~~ statutes or regulations, or state statutes or rules.

SECTION 657. Arkansas Code § 8-7-807(c)(3), concerning the responsibility and liability of an owner for a release of a regulated substance from a storage tank, is amended to read as follows:

(3) This section does not impair any right of the release site property owner or adjacent property owner to seek equitable or legal remedies, including without limitation claims for trespass, compensation as the result of eminent domain, damages for temporary or permanent takings of rights in land, contribution, and any other right or remedy allowed by state law or rule, or federal law or regulation.

SECTION 658. Arkansas Code § 8-7-809(a), concerning corrective actions after a release of a regulated substance from a storage tank and actions by the Director of the Arkansas Department of Environmental Quality, is amended to read as follows:

(a) Nothing in this subchapter or the ~~regulations~~ rules promulgated under this subchapter shall prevent any person from undertaking corrective action which would provide reasonable protection of public health and safety and the environment.

SECTION 659. Arkansas Code § 8-7-810(b), concerning insurance pools to demonstrate financial responsibility related to regulated substance storage tanks, is amended to read as follows:

(b)(1) The formation and operation of an insurance pool under this section shall be subject to approval by the Insurance Commissioner, who shall, after notice and hearing, establish through rules ~~and regulations~~ a method for approval and monitoring of such pools.

(2) Such ~~regulations~~ rules may include:

(A) Provisions for periodic examinations of financial condition, including inspection of books, papers, accounts, and affairs of the plan;

(B) Conditions for participation in the plan;

(C) Minimum amounts of cash reserves and insurance coverage to be acquired;

(D) Requirements for sound management of the plan;

(E) Grounds for suspension or withdrawal of approval of the plan; and

(F) Grounds for termination of the plan.

SECTION 660. Arkansas Code § 8-7-812 is amended to read as follows:

8-7-812. Subchapter controlling over other laws.

(a) This subchapter shall supersede and preempt all local government laws, ordinances, rules, and regulations pertaining to underground storage tanks, except for any applicable local building permit or fire code requirements pertaining to installation of underground tanks.

(b) The provisions of this subchapter and the rules ~~and regulations~~ promulgated pursuant to it shall govern if they conflict with the provisions of the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq., the Arkansas Solid Waste Management Act, § 8-6-201 et seq., or the Arkansas Hazardous Waste Management Act of 1979, § 8-7-201 et seq., or any action taken by the Arkansas Department of Environmental Quality under those laws.

SECTION 661. Arkansas Code § 8-7-813(a), concerning the registration of regulated substance storage tanks, is amended to read as follows:

(a) Except as provided under subsections (e) and (f) of this section, all owners and operators of storage tanks shall register their storage tanks as required by federal regulations and in accordance with the ~~regulations~~ rules adopted under this subchapter.

SECTION 662. Arkansas Code § 8-7-813(b)(2), concerning the registration of regulated substance storage tanks, is amended to read as follows:

(2) Proof of registration shall be in the form determined by ~~regulations~~ rules adopted under this subchapter.

SECTION 663. Arkansas Code § 8-7-814(b), concerning the prohibited delivery of a regulated substances into ineligible storage tanks, is amended to read as follows:

(b) The Arkansas Pollution Control and Ecology Commission shall adopt ~~regulations~~ rules to implement the criteria and process required by the delivery prohibition requirements of the Energy Policy Act of 2005, Pub. L. No. 109-58, and the ~~regulations~~ rules shall consist of, at a minimum, the federal guidelines for determining the significant operational compliance of

underground storage tank systems.

SECTION 664. Arkansas Code § 8-7-816(d), concerning secondary containment for regulated substance storage tanks, is amended to read as follows:

(d) All secondary containment installed shall comply with federal regulations for underground storage tanks and the ~~regulations~~ rules adopted under this subchapter.

SECTION 665. Arkansas Code § 8-7-817(a), concerning operator training required for operation and maintenance of regulated substance storage tanks, is amended to read as follows:

(a) All operators of underground storage tank systems shall complete training in the operation and maintenance of underground storage tank systems in accordance with ~~regulations~~ rules promulgated under this section.

SECTION 666. Arkansas Code § 8-7-903 is amended to read as follows:

8-7-903. Rules ~~and regulations~~ - Powers of department.

(a) The Director of the Department of Finance and Administration is authorized to adopt appropriate rules ~~and regulations~~ not inconsistent with this subchapter as he or she may deem necessary to carry out the intent and purposes of and to assure compliance with this subchapter.

(b) The Arkansas Pollution Control and Ecology Commission is authorized to adopt appropriate rules ~~and regulations~~ not inconsistent with this subchapter to carry out the intent and purposes of and to assure compliance with this subchapter.

(c) The department shall have the authority to enter upon the property of any owner or operator of an aboveground storage tank to obtain information, conduct surveys, or review records for the purpose of determining substantial compliance, as defined by this subchapter and ~~regulations~~ rules promulgated thereunder, with all state laws and rules and federal laws and regulations relating to aboveground storage tanks prior to the director's approval of a claim for reimbursement or disbursement.

SECTION 667. Arkansas Code § 8-7-904(f), concerning the establishment of the Advisory Committee on Petroleum Storage Tanks under the Petroleum

Storage Tank Trust Fund Act, is amended to read as follows:

(f) The committee shall adopt all rules ~~and regulations~~ necessary to conduct its business.

SECTION 668. Arkansas Code § 8-7-904(h), concerning the establishment of the Advisory Committee on Petroleum Storage Tanks under the Petroleum Storage Tank Trust Fund Act, is amended to read as follows:

(h) The committee shall advise the department and the Arkansas Pollution Control and Ecology Commission regarding promulgation of rules ~~and regulations~~ concerning storage tanks.

SECTION 669. Arkansas Code § 8-7-905(i)(2), concerning the establishment of the Petroleum Storage Tank Trust Fund under the Petroleum Storage Tank Trust Fund Act, is amended to read as follows:

(2) The procedures of the department and the Arkansas Pollution Control and Ecology Commission for issuance of rules ~~and regulations~~, conduct of hearings, notice, power of subpoena, right of appeal, presumptions, finality of actions, and related matters shall be as provided in §§ 8-4-202, 8-4-210 — 8-4-214, and 8-4-218 — 8-4-229, and in rules ~~and regulations~~ applicable to administrative procedures of the department and the Arkansas Pollution Control and Ecology Commission to the extent they are not in conflict with the provisions of this subchapter.

SECTION 670. Arkansas Code § 8-7-907(c) and (d), concerning payments for corrective action under the Petroleum Storage Tank Trust Fund Act, are amended to read as follows:

(c) All payments for corrective action expenses of the owner or operator shall be made only following proof that:

(1)(A) At the time of discovery of the release the owner or operator had paid all fees required under state law or ~~regulations~~ rules applicable to petroleum storage tanks.

(B) If the petroleum storage tank is an aboveground storage tank, the owner or operator may be eligible for reimbursement if the aboveground storage tank is registered under § 8-7-813 and all fees required under state law or ~~regulation~~ rule have been paid;

(2) The corrective action expenses submitted for reimbursement

consist of items and amounts that are in accord and compliant with Arkansas Department of Environmental Quality ~~regulations~~ rules; and

(3) The owner or operator cooperated fully with the department in corrective action to address the release.

(d) Payment for corrective action may be denied if the storage tank owner or operator fails to report a release as required by ~~regulation~~ rule promulgated by the Arkansas Pollution Control and Ecology Commission, and the failure to report the release causes a delay in the corrective action that contributes to an adverse impact to the environment.

SECTION 671. Arkansas Code § 8-7-907(e)(1), concerning payments for corrective action under the Petroleum Storage Tank Trust Fund Act, is amended to read as follows:

(e)(1) The commission may provide through rule ~~and regulation~~ for interim payments for corrective action.

SECTION 672. Arkansas Code § 8-7-907(f)(1), concerning payments for corrective action under the Petroleum Storage Tank Trust Fund Act, is amended to read as follows:

(f)(1) In the event moneys are expended from the fund for corrective action and the owner or operator was not at the time of the occurrence eligible to receive reimbursement for corrective action, as defined by this subchapter and ~~regulations~~ rules promulgated under this subchapter, the department may recover from the owner or operator the amount of moneys expended from the fund for corrective action by filing an action in the appropriate circuit court or by using the administrative procedures set forth in § 8-7-804.

SECTION 673. Arkansas Code § 8-7-907(h), concerning payments for corrective action under the Petroleum Storage Tank Trust Fund Act, is amended to read as follows:

(h) If the owner or operator is found to have been in noncompliance with any state laws and rules and federal laws and regulations relating to storage tanks at the time of the occurrence, the department may assess a penalty in accordance with its applicable policies and procedures.

SECTION 674. Arkansas Code § 8-7-907(k)(1), concerning payments for corrective action under the Petroleum Storage Tank Trust Fund Act, is amended to read as follows:

(k)(1) The Arkansas Pollution Control and Ecology Commission shall provide through rule ~~and regulation for~~ a procedure under which an owner or operator or a consultant can be eligible for payment for the purchase of equipment needed for undertaking corrective action.

SECTION 675. Arkansas Code § 8-7-908(e)(1), concerning third-party claims for under the Petroleum Storage Tank Trust Fund Act, is amended to read as follows:

(e)(1) The Arkansas Pollution Control and Ecology Commission may provide through rules ~~or regulations~~ for payments for third-party claims under settlement agreements between the parties without entry of a final court order or Arkansas State Claims Commission order.

SECTION 676. Arkansas Code § 8-7-908(f)(1), concerning third-party claims for under the Petroleum Storage Tank Trust Fund Act, is amended to read as follows:

(f)(1) In the event moneys are expended from the fund for third-party claims and the owner or operator was not at the time of the occurrence in substantial compliance, as defined by this subchapter and ~~regulations~~ rules promulgated under this subchapter, the department may recover from the owner or operator the amount of moneys expended from the fund for the third-party claim by filing an action in the appropriate circuit court or by using the administrative procedures set forth in § 8-7-804.

SECTION 677. Arkansas Code § 8-7-1008(b), concerning employee information and training under the Public Employees' Chemical Right to Know Act, is amended to read as follows:

(b)(1) The information and training program provided pursuant to this section shall be developed in accordance with ~~regulations~~ rules to be promulgated by the Director of the Department of Labor pursuant to § 8-7-1011 ~~within six (6) months after July 1, 1991~~.

(2) The ~~regulations~~ rules shall include, at a minimum, requirements concerning:

(A) Information on interpreting labels and material safety data sheets and the relationship between these two (2) methods of hazard communication;

(B) The location and availability of the workplace chemical list and material safety data sheets;

(C) Any operations in an employee's work area where hazardous chemicals are present;

(D) The physical and health hazards of the hazardous chemicals in the work area;

(E) Methods and observations that may be used to detect the presence or release of a hazardous chemical in the work area, such as monitoring conducted by the employer, continuous monitoring devices, visual appearance or odor of hazardous chemicals when being released, etc.;

(F) The measures employees can take to protect themselves from these hazards, including specific procedures the employer has implemented to protect employees from exposure to hazardous chemicals, such as appropriate work practices, emergency procedures, and personal protective equipment to be used;

(G) Frequency of training;

(H) General safety instructions on the handling, cleanup, and disposal of hazardous chemicals; and

(I) Employees' rights under this subchapter.

SECTION 678. Arkansas Code § 8-7-1008(f), concerning employee information and training under the Public Employees' Chemical Right to Know Act, is amended to read as follows:

(f) The director shall have authority to promulgate rules ~~and regulations~~ in accordance with § 8-7-1011:

(1) To exempt public employers from providing the information and training otherwise required by this section to employees with special skills and knowledge concerning hazardous chemicals, if such special skills and knowledge would make the information and training unnecessary; and

(2) To require public employers to provide refresher training for employees in workplaces or in circumstances in which the director reasonably determines such refresher training to be necessary and appropriate.

SECTION 679. Arkansas Code § 8-7-1011 is amended to read as follows:

8-7-1011. ~~Rule-making~~ Rulemaking.

(a) The Director of the Department of Labor may promulgate rules ~~and regulations~~ in accordance with the provisions of §§ 11-2-110, 11-2-112, and 11-2-113 to implement the provisions of this subchapter. This authority shall include, but not be limited to, the authority to implement changes corresponding to future amendments to the Hazard Communication Standard to maintain consistency between this subchapter and the Hazard Communication Standard.

(b) The director shall promulgate ~~regulations~~ rules within six (6) months after July 1, 1991, requiring public employers to carry out information and training programs for their employees and specifying the minimum content of education and training programs as provided in § 8-7-1008.

SECTION 680. Arkansas Code § 8-7-1014(c), concerning enforcement under the Public Employees' Chemical Right to Know Act, is amended to read as follows:

(c) Violation of this subchapter by a public employer shall be cause for adverse personnel action against the supervisor or supervisors responsible for the violation, including, but not limited to, suspension, demotion, withholding of annual career service recognition payments, or, in the case of serious and repeated violations, termination. Issuance of a cease and desist order by the director shall not be a prerequisite for such adverse personnel action, but such action shall only be taken in accordance with the civil service laws and ~~regulations~~ rules.

SECTION 681. Arkansas Code § 8-7-1311(a)(1), concerning fees under the Phase I Environmental Site Assessment Consultant Act, is amended to read as follows:

(a)(1) Under ~~regulations~~ rules promulgated by the Arkansas Pollution Control and Ecology Commission, the Arkansas Department of Environmental Quality may assess fees to Phase I consultants who apply to be placed on the list maintained under § 8-7-1304.

SECTION 682. Arkansas Code § 8-9-101 is amended to read as follows:

8-9-101. Policy.

It is the policy of the State of Arkansas to encourage and promote recycling in order to conserve natural resources, conserve energy, and preserve landfill space. In furtherance of this policy, the State of Arkansas adopts as a goal in the new century the recycling of forty percent (40%) of its municipal solid waste ~~by 2005~~ and forty-five percent (45%) of its municipal solid waste ~~by 2010~~, as shall be determined by the Arkansas Department of Environmental Quality by ~~regulation~~ rule.

SECTION 683. Arkansas Code § 8-9-105 is amended to read as follows:

8-9-105. Penalties and procedures.

(a) Any person who violates any provision of § 8-9-301 et seq. or § 8-9-401 et seq., or of any rule~~, regulation,~~ or order issued pursuant to this chapter, shall be subject to the same penalty and enforcement provisions as are contained in the Arkansas Solid Waste Management Act, § 8-6-204.

(b) Except as otherwise provided in this chapter, the procedure of the Arkansas Pollution Control and Ecology Commission for issuance of rules ~~and regulations~~, conduct of hearings, notice, power of subpoena, review of action on permits, right of appeal, presumptions, finality of actions, and related matters shall be as provided in §§ 8-4-101 — 8-4-106 and 8-4-201 — 8-4-229 of the Arkansas Water and Air Pollution Control Act, including, without limitation, §§ 8-4-205, 8-4-210, 8-4-212 — 8-4-214, and 8-4-218 — 8-4-229.

(c) All rules ~~and regulations~~ adopted under this chapter shall be reviewed by the interim House Committee on Public Health, Welfare, and Labor and the interim Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees of the committees.

SECTION 684. Arkansas Code § 8-9-202(1), concerning the powers and duties of the Arkansas Department of Environmental Quality regarding waste reduction and recycling, is amended to read as follows:

(1) Adopt reasonable rules ~~and regulations~~ to effectuate the purposes of this subchapter;

SECTION 685. Arkansas Code § 8-9-304 is amended to read as follows:

8-9-304. Used motor oil.

~~No later than December 31, 1992, the~~ The Arkansas Pollution Control and

Ecology Commission shall adopt, after notice and public hearing, reasonable ~~regulations~~ rules which are protective of the public health and environment for the collection, storage, and disposal, reuse, or recycling of used motor oil.

SECTION 686. Arkansas Code § 8-9-402(25)(B)(ii), concerning the definition of "waste tire site" under the Used Tire Recycling and Accountability Act, is amended to read as follows:

(ii) A location that is authorized to store tires by the Arkansas Department of Environmental Quality or ~~regulations~~ rules promulgated by the Arkansas Pollution Control and Ecology Commission;

SECTION 687. Arkansas Code § 8-9-403(c)(3)(A) and (B), concerning the operation of waste tire sites under the Used Tire Recycling and Accountability Act, are amended to read as follows:

(3)(A) Unless otherwise provided by law or ~~regulation~~ rule, whole tires shall not be deposited into a landfill or a waste tire monofill as a method of final disposal unless shredded or split into sufficiently small parts to assure their proper disposal.

(B) Unless otherwise provided by law or ~~regulation~~ rule, only small tires that have been processed by cutting, shredding, or splitting into sufficiently small parts to assure proper disposal or small tires processed by baling may be disposed of at a disposal site that has a permit issued for a landfill designed and operated as a waste tire monofill.

SECTION 688. Arkansas Code § 8-9-403(c)(4), concerning the operation of waste tire sites under the Used Tire Recycling and Accountability Act, is amended to read as follows:

(4) A person who leases, owns, or otherwise controls real property may use tires in compliance with procedures approved by and ~~regulations~~ rules promulgated by the Arkansas Pollution Control and Ecology Commission and procedures approved by each solid waste management district:

(A) For soil erosion abatement and drainage purposes; or

(B) To secure covers over silage, hay, straw, or agricultural products.

SECTION 689. Arkansas Code § 8-9-405(b)(5), concerning used tire program reimbursements under the Used Tire Recycling and Accountability Act, is amended to read as follows:

(5) Be operated in compliance with this subchapter and all other laws~~, regulations,~~ and rules related to the administration of solid waste management systems and recycling programs in Arkansas;

SECTION 690. Arkansas Code § 8-9-414(a) and (b), concerning the powers and duties of the Arkansas Pollution Control and Ecology Commission under the Used Tire Recycling and Accountability Act, are amended to read as follows:

(a) The Arkansas Pollution Control and Ecology Commission shall promulgate ~~regulations~~ rules to carry out the intent and purposes of this subchapter.

(b) The ~~regulations~~ rules shall:

(1)(A) Except as provided under subdivision (b)(1)(B) of this section, provide for the administration of permits for tire processing facilities, tire collection centers, commercial generators, and any other person or entity that collects, receives, processes, recycles, or disposes of used tires regulated under this subchapter with the maximum permit fee not to exceed two hundred fifty dollars ($250) annually.

(B) The maximum permit fee under this subdivision (b)(1) shall not apply to tire transporters;

(2) Establish standards for tire processing facilities, tire collection centers, tire transporters, and beneficial use projects;

(3) Establish procedures for administering reimbursements to used tire programs under § 8-9-405;

(4) Unless otherwise provided by law, authorize the final disposition of waste tires at a permitted solid waste disposal facility if the waste tires have been cut into sufficiently small parts for proper disposal and in compliance with this subchapter and all other applicable provisions in this title;

(5) Establish procedures for administering the electronic uniform used tire manifest system;

(6) Establish accountability procedures for the sustainability of used tire programs operated under this subchapter; and

(7)(A) Establish the number of tires that each individual who is

a resident of a regional solid waste management district may discard monthly without a fee.

(B) The maximum number of tires under this subdivision (b)(7) shall not be more than four (4) tires per month.

SECTION 691. Arkansas Code § 8-9-414(c)(2), concerning the powers and duties of the Arkansas Pollution Control and Ecology Commission under the Used Tire Recycling and Accountability Act, is amended to read as follows:

(2) Promulgate ~~regulations~~ rules that are necessary to administer the fees and reimbursement rates for services provided under this subchapter by the used tire programs; and

SECTION 692. Arkansas Code § 8-9-415(a)(3), concerning permitting, licensing, inspections, procedures, enforcement, and penalties under the Used Tire Recycling and Accountability Act, is amended to read as follows:

(3) All applicable ~~regulations~~ rules promulgated by the Arkansas Pollution Control and Ecology Commission.

SECTION 693. Arkansas Code § 8-9-606(e)(2), concerning the removal and proper management of mercury-added vehicle components under the Mercury Switch Removal Act of 2005, is amended to read as follows:

(2) Provisions of the rules ~~and regulations~~ concerning universal waste adopted by the department pursuant to the Arkansas Hazardous Waste Management Act of 1979, § 8-7-201 et seq.

SECTION 694. Arkansas Code § 8-9-609 is amended to read as follows:

8-9-609. Rules ~~and regulations~~ — Authority of Arkansas Pollution Control and Ecology Commission.

The Arkansas Pollution Control and Ecology Commission may adopt rules ~~and regulations~~s to effectuate and implement the purposes and intent of this subchapter and the powers and duties of the Arkansas Department of Environmental Quality.

SECTION 695. Arkansas Code § 8-10-203(4), concerning the definition of "hazardous waste" under the Arkansas Pollution Prevention Act, is amended to read as follows:

(4) “Hazardous waste” means hazardous waste as defined by the Arkansas Hazardous Waste Management Act of 1979, § 8-7-201 et seq., and ~~regulations~~ rules issued pursuant thereto;

SECTION 696. Arkansas Code § 8-10-301(e) and (f), concerning the prohibited sale and disposal of certain batteries, are amended to read as follows:

(e) The Arkansas Pollution Control and Ecology Commission may promulgate, modify, or repeal rules ~~or regulations~~ as necessary or appropriate to implement or effectuate the purpose and intent of this section.

(f) Any person violating any provision of this section or of any rule~~,~~ ~~regulation,~~ or order issued pursuant to this section shall be subject to the same penalty and enforcement provisions as are contained in the Arkansas Solid Waste Management Act, § 8-6-204.

SECTION 697. Arkansas Code § 8-10-303(a)(3)(E), concerning required permits for motor vehicle racing facilities, is amended to read as follows:

(E) The Arkansas Pollution Control and Ecology Commission shall have the authority to promulgate all necessary rules ~~and regulations~~ to implement this section, including the authority to set a permit fee to recover the cost of issuing the permit.

SECTION 698. Arkansas Code § 8-10-304(b)(6), concerning motor vehicle racing facilities in certain municipalities, is amended to read as follows:

(6) The Arkansas Pollution Control and Ecology Commission shall have the authority to promulgate any and all necessary rules ~~and regulations~~ to implement this section, including the authority to set a permit fee to recover the cost of issuing the permit.

SECTION 699. Arkansas Code § 8-14-104(a)(2), concerning the shielding prohibitions and exemptions under the Shielded Outdoor Lighting Act, is amended to read as follows:

(2) The Arkansas Department of Environmental Quality shall promulgate ~~regulations~~ rules prohibiting any person or entity from knowingly placing or disposing of the bulb or tube portion of an electric lighting

device containing hazardous levels of mercury in a landfill after January 1, 2008, if:

(A) The device contains more than two-tenths milligram per liter (0.2 mg/l) of leachable mercury as measured by the Toxicity Characteristic Leaching Procedure as set out in EPA Test Method 1311; and

(B) Adequate facilities exist for the public to properly dispose of the device described in subdivision (a)(2)(A) of this section; and

SECTION 700. Arkansas Code § 8-14-104(a)(2), concerning the shielding prohibitions and exemptions under the Shielded Outdoor Lighting Act, is amended to read as follows:

(2) The Arkansas Department of Environmental Quality shall promulgate ~~regulations~~ rules prohibiting any person or entity from knowingly placing or disposing of the bulb or tube portion of an electric lighting device containing hazardous levels of mercury in a landfill after January 1, 2008, if:

(A) The device contains more than two-tenths milligram per liter (0.2 mg/l) of leachable mercury as measured by the Toxicity Characteristic Leaching Procedure as set out in EPA Test Method 1311; and

(B) Adequate facilities exist for the public to properly dispose of the device described in subdivision (a)(2)(A) of this section; and

SECTION 701. Arkansas Code § 9-3-105 is amended to read as follows:

9-3-105. Rules ~~and regulations~~.

The Secretary of State shall have power to make such rules ~~and regulations~~ as may be necessary for properly carrying into execution the various provisions of this chapter.

SECTION 702. Arkansas Code § 9-4-103(a)(2), concerning the duties of the Arkansas Child Abuse/Rape/Domestic Violence Commission, is amended to read as follows:

(2) Promulgate rules, ~~regulations,~~ procedures, and forms for the evaluation of each shelter;

SECTION 703. Arkansas Code § 9-8-101(5), concerning the definition of "regulations" in court-ordered investigations or studies involving children,

is amended to read as follows:

(5) ~~"Regulations"~~ "Rules" means ~~regulations~~ rules promulgated by the division for the purpose of implementing this subchapter pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.;

SECTION 704. Arkansas Code § 9-8-102(c), concerning the court-ordered investigation, study, or supervision of a domestic relations case involving children and the fee to a licensed social worker, is amended to read as follows:

(c) If payment is not made within the established time frame as set forth in the court order or as prescribed by ~~regulations~~ rules, the obligation shall be considered a delinquent debt, as defined by ~~regulation~~ rule, and the licensed social worker may recover the fee as provided by law for the recovery of a debt.

SECTION 705. Arkansas Code § 9-8-203 is amended to read as follows:

9-8-203. Promulgation of ~~regulations~~ rules.

(a) The Department of Human Services shall promulgate rules ~~and regulations~~ to implement this program.

(b) The department shall promulgate rules ~~and regulations~~ that include eligibility requirements in accordance with any requirements from the funding stream.

SECTION 706. Arkansas Code § 9-9-212(b)(3), concerning the requirements for a hearing on an adoption petition under the Revised Uniform Adoption Act, is amended to read as follows:

(3) All home studies shall be prepared and submitted in conformity with the ~~regulations~~ rules promulgated pursuant to the Child Welfare Agency Licensing Act, § 9-28-401 et seq.

SECTION 707. Arkansas Code § 9-9-212(d)(4), concerning the requirements for a hearing on an adoption petition under the Revised Uniform Adoption Act, is amended to read as follows:

(4) All home studies shall be prepared and submitted in conformity with the ~~regulations~~ rules promulgated pursuant to the Child Welfare Agency Licensing Act, § 9-28-401 et seq.

SECTION 708. Arkansas Code § 9-9-217(a)(2)(C)(iv), concerning confidentiality of hearings and records under the Revised Uniform Adoption Act, is amended to read as follows:

(iv) No one shall be permitted to review the removed portion of the record except in an official capacity, and, except for uses required by the federal audit in compliance with state laws and rules and federal statutes and regulations, such a person shall be bound to keep the contents of such records confidential.

SECTION 709. Arkansas Code § 9-9-217(a)(2)(D)(v), concerning confidentiality of hearings and records under the Revised Uniform Adoption Act, is amended to read as follows:

(v) No one shall be permitted to review the removed portion of the record except in an official capacity, and, except for uses required to provide for the enhancement of possible federal funding in compliance with state laws and rules and federal statutes and regulations, such a person shall be bound to keep the contents of such records confidential.

SECTION 710. Arkansas Code § 9-9-411(a)(2), concerning subsidy agreements, renewal, termination, or modification under the Arkansas Subsidized Adoption Act, is amended to read as follows:

(2) The subsidy agreement may be continued in accordance with the terms by entering into a new agreement each year but only as long as the adopted child is the legal dependent of the adoptive parents and the child's condition continues, except that, in the absence of other appropriate resources provided by law and in accordance with Arkansas ~~regulations~~ rules, it may not be continued after the adopted child reaches majority.

SECTION 711. Arkansas Code § 9-9-508 is amended to read as follows:

9-9-508. Rules ~~and regulations~~.

The Department of Human Services shall issue such rules ~~and regulations~~ as are necessary for implementing this subchapter.

SECTION 712. Arkansas Code § 9-9-702(e)(2)(A), concerning fast-tracked

adoption of Garrett's Law babies and definitions under the Streamline Adoption Act, is amended to read as follows:

(A) The proposed relative adoptive parents have an approved adoptive home study or the department approves the proposed relative adoptive parents to adopt under state law on adoption, child welfare agency licensing law and ~~regulations~~ rules, and department policy and procedures;

SECTION 713. Arkansas Code § 9-13-101(e)(7), concerning an award of custody in a divorce action, is amended to read as follows:

(7) In order to ensure that each judicial district will have an appropriate amount of funds to utilize for ad litem representation in custody cases, the funds appropriated shall be apportioned based upon a formula developed by the office and approved by the Arkansas Judicial Council and the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council.

SECTION 714. Arkansas Code § 9-14-208(h)(2)(A), concerning the Office of Child Support Enforcement, the powers to obtain information on a noncustodial parent, penalties, and immunity, is amended to read as follows:

(2)(A) The rules ~~and regulations~~ shall require written notice to each parent and noncustodial parent to whom this section applies:

(i) That the withholding, intercept, or seizure has commenced; and

(ii) Of the right to an administrative hearing and the procedures to follow if the parent or noncustodial parent desires to contest the withholding, intercept, or seizure on the grounds that the withholding, intercept, or seizure is improper due to a mistake of fact.

SECTION 715. Arkansas Code § 9-14-239(f), concerning suspension of a driver's license for failure to pay child support, is amended to read as follows:

(f) The office and the department are authorized to promulgate rules ~~and regulations~~ necessary to carry out this section in the interests of justice and equity.

SECTION 716. Arkansas Code § 9-14-801(2)(C), concerning the definition of "clearinghouse" and capabilities of the Arkansas Child Support Tracking

System, is amended to read as follows:

(C) The clearinghouse shall be capable of processing automated assignments of child support payments in accordance with state laws and rules and federal laws and regulations.

SECTION 717. Arkansas Code § 9-14-803(b)(2)(D), concerning data submitted to the Office of Child Support Enforcement of the Revenue Division of the Department of Finance and Administration on child support payments, is amended to read as follows:

(D) In all Title IV-D cases, or in multiple cases involving the Title IV-D office, in which income withholding is ordered and the obligated parent has more than one (1) child support case and the clerk of the court is unable to split the child support payment between the obligated parent's cases on a pro rata basis as required by state laws and rules and federal laws and regulations.

SECTION 718. Arkansas Code § 9-20-103(18)(B)(iv), concerning the definition of "neglect" under the Adult Maltreatment Custody Act, is amended to read as follows:

(iv) Provide to an adult resident of a long-term care facility goods or services necessary to avoid physical harm, mental anguish, or mental illness as defined in ~~regulations~~ rules promulgated by the Office of Long-Term Care of the Division of Medical Services of the Department of Human Services;

SECTION 719. Arkansas Code § 9-27-303(29)(A), concerning the definition of "home study" under the Arkansas Juvenile Code of 1989, is amended to read as follows:

(29)(A) "Home study" means a written report that is obtained after an investigation of a home by the Department of Human Services or other appropriate persons or agencies and that shall conform to ~~regulations~~ rules established by the Department of Human Services.

SECTION 720. Arkansas Code § 9-27-357(d), concerning deoxyribonucleic acid samples under the Arkansas Juvenile Code of 1989, is amended to read as follows:

(d) All deoxyribonucleic acid samples taken under this section shall be taken in accordance with ~~regulations~~ rules promulgated by the State Crime Laboratory.

SECTION 721. Arkansas Code § 9-28-216 is amended to read as follows:

9-28-216. Separation of juvenile offenders — ~~Regulations~~ Rules — Review.

(a) The Division of Youth Services of the Department of Human Services shall promulgate ~~regulations~~ rules to require the separation of juvenile offenders committed to a facility operated by the division based upon:

(1) The age of the juvenile offender;

(2) The seriousness of the crime or crimes committed by the juvenile offender; or

(3) Whether the juvenile offender has been adjudicated delinquent of a sex offense as defined under § 12-12-903(12).

(b) No ~~regulation~~ rule pertaining to the separation of juvenile offenders promulgated hereafter by the division shall be effective until reviewed by the Legislative Council, the House Committee on Aging, Children and Youth, Legislative and Military Affairs, and the Senate Interim Committee on Children and Youth, or appropriate subcommittees thereof, of the General Assembly.

SECTION 722. Arkansas Code § 9-28-402(3), concerning the definition of "alternative compliance" under the Child Welfare Agency Licensing Act, is amended to read as follows:

(3) “Alternative compliance” means approval from the Child Welfare Agency Review Board to allow a licensee to deviate from the letter of a ~~regulation~~ rule, provided that the licensee has demonstrated how an alternate plan of compliance will meet or exceed the intent of the ~~regulation~~ rule;

SECTION 723. Arkansas Code § 9-28-403(a)(2), concerning the creation and authority of the Child Welfare Agency Review Board, is amended to read as follows:

(2) The board shall have the authority to promulgate rules ~~and regulations~~ to enforce the provisions of this subchapter.

SECTION 724. Arkansas Code § 9-28-403(b)(1), concerning the creation and authority of the Child Welfare Agency Review Board, is amended to read as follows:

(1) Expanding the types and categories of licenses issued for programs falling within the definition of "child welfare agency", as may be required by changes in the types of child welfare programs that may occur, and to promulgate separate ~~regulations~~ rules for each category of license as it may deem proper;

SECTION 725. Arkansas Code § 9-28-405(b), concerning the duties of the Child Welfare Agency Review Board, is amended to read as follows:

(b) The board may amend the rules ~~and regulations~~ promulgated pursuant to this section from time to time, in accordance with the rule promulgation procedures in the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 726. Arkansas Code § 9-28-405(h)(1), concerning the duties of the Child Welfare Agency Review Board, is amended to read as follows:

(h)(1) The board or its designee may grant an agency's request for alternative compliance upon a finding that the child welfare agency does not meet the letter of a ~~regulation~~ rule promulgated under this subchapter but that the child welfare agency meets or exceeds the intent of that rule through alternative means.

SECTION 727. Arkansas Code § 9-28-405(i)(2), concerning the duties of the Child Welfare Agency Review Board, is amended to read as follows:

(2) The board shall have the discretion to impose a civil penalty pursuant to this section when the board determines by clear and convincing evidence that the person sought to be charged has violated this subchapter or the rules promulgated thereunder willfully, wantonly, or with conscious disregard for law or ~~regulation~~ rule.

SECTION 728. Arkansas Code § 9-28-406(b)(1), concerning the enforcement duties of the Department of Human Services under the Child Welfare Agency Licensing Act, is amended to read as follows:

(b)(1) The board is authorized to make an inspection and investigation

of any proposed or operating child welfare agency and of any personnel connected with that agency to the extent that an inspection and investigation are necessary to determine whether the child welfare agency will be or is being operated in accordance with this subchapter and the rules ~~and regulations~~ promulgated by the board.

SECTION 729. Arkansas Code § 9-28-406(d)(1), concerning the enforcement duties of the Department of Human Services under the Child Welfare Agency Licensing Act, is amended to read as follows:

(d)(1) The department shall assist licensees and applicants in complying with published rules ~~and regulations~~ by issuing advisory opinions regarding matters of rule compliance when so requested.

SECTION 730. Arkansas Code § 9-28-407(h)(1)(A), concerning licenses by the Child Welfare Agency Review Board, is amended to read as follows:

(A) To the Director of the Child Welfare Agency Review Board as required by ~~regulation~~ rule;

SECTION 731. Arkansas Code § 9-28-408(c)(3), concerning church-related exemption from the state income tax, is amended to read as follows:

(3) Challenge to the constitutionality or reasonableness of any ~~regulation~~ rule or statute may be made prior to any appeal under the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 732. Arkansas Code § 9-32-202 is amended to read as follows:

9-32-202. Legislative findings.

To enhance the public's access to child welfare program performance indicators, to raise the public's awareness of the child welfare program's client outcomes, to enable the General Assembly to monitor and assess the performance of the Division of Children and Family Services of the Department of Human Services, the Division of Aging, Adult, and Behavioral Health Services of the Department of Human Services, and the Division of Youth Services of the Department of Human Services, and to specifically monitor the compliance of the Division of Children and Family Services of the Department of Human Services with court-ordered settlement agreements and compliance with state laws and rules and federal regulations, the General Assembly finds

that special and extraordinary provisions for legislative oversight of the child welfare system should be established.

SECTION 733. Arkansas Code § 9-32-205(c), concerning the annual performance audit of the Division of Youth Services, the Division of Aging, Adult, and Behavioral Health Services, and Division of Children and Family Services of the Department of Human Services, is amended to read as follows:

(c) The performance audits shall include without limitation a complete assessment of the compliance of the Division of Youth Services, the Division of Aging, Adult, and Behavioral Health Services, and the Division of Children and Family Services with state laws and rules and federal regulations and with the terms and conditions of the court-ordered settlement agreement.

SECTION 734. Arkansas Code § 10-2-114(f), concerning bills imposing new or additional costs on a municipality or county and fiscal impact statements, is amended to read as follows:

(f) For the purposes of this section, the term "fiscal impact statement" means a realistic statement of the estimated financial cost to municipalities or counties of implementing or complying with a proposed law and ~~regulations~~ rules promulgated under it.

SECTION 735. Arkansas Code § 10-2-127(a)(1), concerning fiscal impact statements, is amended to read as follows:

(a)(1) As used in this section, unless the context otherwise requires, "fiscal impact statement" means a realistic written statement of the purpose of a proposed law, or a ~~regulation~~ rule promulgated under a law, and the estimated financial cost to the state or any local school district of implementing or complying with the proposed law or ~~regulation~~ rule.

SECTION 736. Arkansas Code § 10-3-309(c)(2) and (3), concerning the review and approval of state agency rules, are amended to read as follows:

(2) The Legislative Council shall assign proposed rules to the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council.

(3)(A)(i) The proposed rule shall be reviewed by the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council.

(ii) When reviewing a rule under subdivision

(c)(3)(A)(i) of this section, the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council shall allow members of the public a reasonable opportunity to comment on the proposed rule.

(B)(i)(a) Except as set forth in subdivision (c)(3)(B)(ii) of this section, upon conclusion of the review of the proposed rule by the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council, the proposed rule shall be considered approved unless a majority of a quorum present request that the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council vote on the issue of approving the proposed rule.

(b) If the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council votes on the issue of approving the proposed rule, the proposed rule shall be approved unless a majority of a quorum present vote for the proposed rule to not be approved.

(ii) A proposed rule submitted by the State Board of Health under § 20-7-604(d)(2)(D), concerning exemptions from the requirements of the Prescription Drug Monitoring Program, shall be considered reviewed and approved by the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council upon an affirmative vote of three-fourths (3/4) of the members present when a quorum is present.

SECTION 737. Arkansas Code § 10-3-309(c)(4)(A)(i), concerning the review and approval of state agency rules, is amended to read as follows:

(4)(A)(i) Except as set forth in subdivision (c)(4)(B) of this section, a proposed rule approved by the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council shall be considered approved by the Legislative Council unless a majority of a quorum present request that the Legislative Council vote on the issue of approving the proposed rule.

SECTION 738. Arkansas Code § 10-3-309(d)(3), concerning the review and approval of state agency rules, is amended to read as follows:

(3) A proposed emergency rule approved by the Executive Subcommittee of the Legislative Council shall be reported to the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council.

SECTION 739. Arkansas Code § 10-3-309(e), concerning the review and approval of state agency rules, is amended to read as follows:

(e)(1) The Joint Budget Committee shall establish the Administrative Rule ~~and Regulation~~ Review Subcommittee.

(2)(A) The Administrative Rule ~~and Regulation~~ Review Subcommittee shall consist of twenty-two (22) members of the General Assembly.

(B)(i) Nine (9) members of the Administrative Rule ~~and Regulation~~ Review Subcommittee shall be appointed by the Senate Cochair of the Joint Budget Committee.

(ii) The Senate Cochair of the Joint Budget Committee shall designate one (1) of his or her appointees as Senate Cochair of the Administrative Rule ~~and Regulation~~ Review Subcommittee.

(C)(i) Nine (9) members of the Administrative Rule ~~and Regulation~~ Review Subcommittee shall be appointed by the House Cochair of the Joint Budget Committee.

(ii) The House Cochair of the Joint Budget Committee shall designate one (1) of his or her appointees as House Cochair of the Administrative Rule ~~and Regulation~~ Review Subcommittee.

(3) The cochairs and co-vice chairs of the Legislative Council shall be ex officio members of the Administrative Rule ~~and Regulation~~ Review Subcommittee.

(4)(A) The Administrative Rule ~~and Regulation~~ Review Subcommittee may meet only during a regular, fiscal, or extraordinary session of the General Assembly.

(B) The Administrative Rule ~~and Regulation~~ Review Subcommittee shall meet at the call of the cochairs of the Administrative Rule ~~and Regulation~~ Review Subcommittee.

(5)(A) During a regular, fiscal, or extraordinary session of the General Assembly:

(i) The Administrative Rule ~~and Regulation~~ Review Subcommittee shall perform the functions assigned to the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council under this section; and

(ii) The Joint Budget Committee shall perform the functions assigned to the Legislative Council under this section.

(B) Actions taken by the Administrative Rule ~~and Regulation~~ Review Subcommittee and the Joint Budget Committee under this

subsection have the same effect as actions taken by the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council and the Legislative Council under this section.

(C) The Joint Budget Committee shall file a report of its actions under this subsection with the Legislative Council as soon as practicable.

SECTION 740. Arkansas Code § 10-3-309(g)(1), concerning the review and approval of state agency rules, is amended to read as follows:

(g)(1) The Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council, the Legislative Council, the Administrative Rule ~~and Regulation~~ Review Subcommittee, or the Joint Budget Committee may refer a rule to a committee of the General Assembly for the committee's consideration.

SECTION 741. Arkansas Code § 10-3-309(g)(3), concerning the review and approval of state agency rules, is amended to read as follows:

(3) The Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council, the Legislative Council, the Administrative Rule ~~and Regulation~~ Review Subcommittee, or the Joint Budget Committee shall not delegate their authority to review or approve a rule under this section to a committee or subcommittee of the General Assembly or the Legislative Council.

SECTION 742. Arkansas Code § 10-3-309(h)(1)(A), concerning the review and approval of state agency rules, is amended to read as follows:

(A) The process for determining when a rule will be placed on the agendas of the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council and the Legislative Council; and

SECTION 743. Arkansas Code § 10-3-313(a)(1), concerning meetings, agendas, procedures, and practices of the Review Subcommittee of the Legislative Council, the Administrative Rules and Regulations Subcommittee of the Legislative Council, and the Performance Evaluation and Expenditure Review Subcommittee of the Legislative Council, is amended to read as follows:

(a)(1) The Review Subcommittee of the Legislative Council, the

Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council, and the Performance Evaluation and Expenditure Review Subcommittee of the Legislative Council shall each meet monthly on a date approximately two (2) weeks preceding the date on which regular meetings of the interim committees are held.

SECTION 744. Arkansas Code § 10-3-408 is amended to read as follows:

10-3-408. Rules ~~and regulations~~.

The Legislative Joint Auditing Committee may establish any rules ~~and regulations~~ as it may deem fit which are not inconsistent with law.

SECTION 745. Arkansas Code § 10-3-604(3), concerning duties of the Joint Committee on Legislative Printing Requirements and Specifications, is amended to read as follows:

(3) Promulgate standards, specifications, and ~~regulations~~ rules governing the size, composition, and printing or duplicating processes that shall be used in furnishing printing or duplicating services for the General Assembly and certify the specifications and requirements to the director, who shall incorporate the specifications and requirements in contracts to be let for legislative printing needs;

SECTION 746. Arkansas Code § 10-3-604(5), concerning duties of the Joint Committee on Legislative Printing Requirements and Specifications, is amended to read as follows:

(5) Make any additional rules~~, regulations,~~ or specifications and advise the director for incorporation in legislative printing or duplicating contracts as the Joint Committee on Legislative Printing Requirements and Specifications determines necessary in order that the efficiency of the General Assembly might be expedited.

SECTION 747. Arkansas Code § 10-3-1002(c), concerning annual evaluation of vocational-technical courses, is amended to read as follows:

(c) The Legislative Council, the House Committee on Education, and the Senate Committee on Education are authorized to promulgate standard and uniform forms and ~~regulations~~ rules to be followed by the various area vocational-technical schools in compiling and furnishing information required

in this section.

SECTION 748. Arkansas Code § 10-3-2202(b)(3), concerning the power and duties of the Academic Facilities Oversight Committee, is amended to read as follows:

(3) When feasible, the Academic Facilities Oversight Committee shall propose plans, measures, and initiatives as recommendations for legislation or ~~regulation~~ rules.

SECTION 749. Arkansas Code § 10-3-3102(a)(1)(B)(ii), concerning the duties of the Highway Commission Review and Advisory Subcommittee of the Legislative Council, is amended to read as follows:

(ii) Rules promulgated by the State Highway Commission are not subject to approval by the Highway Commission Review and Advisory Subcommittee of the Legislative Council, the Legislative Council, or the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council under this section or § 10-3-309; and

SECTION 750. Arkansas Code § 10-4-305(c)(2)(A), concerning notice of deficiencies of the Legislative Joint Auditing Committee, is amended to read as follows:

(2)(A) Reimbursement for the training is authorized for expenses at the rate authorized for state employees and for mileage at the rate established in the state travel ~~regulations~~ rules for state employees while traveling within the state in the performance of their official duties.

SECTION 751. Arkansas Code § 10-4-407(3), concerning the duties of the Legislative Auditor, is amended to read as follows:

(3) Call attention to any funds which, in his or her opinion, have not been expended in accordance with the law, appropriation, ordinance, ~~regulation~~ rule, or other legal requirement and shall make recommendations to the Legislative Joint Auditing Committee, the General Assembly, and other applicable governing bodies as to the manner or form of appropriations which will avoid any improper expenditure of money in the future;

SECTION 752. Arkansas Code § 10-4-425(b)(2), concerning the format of

private audit reports, is amended to read as follows:

(2) The reports shall include coverage of all applicable laws that relate to the operation of the governmental unit, including coverage of purchasing, bonding, revenue, and expenditures with comments on any apparent violation of applicable state or local legislative acts, codes, rules, or regulations.

SECTION 753. Arkansas Code § 11-2-122(b), concerning disclosure of health benefits available to employees, is amended to read as follows:

(b) The notification shall be made at such time and in such manner as prescribed by ~~regulation~~ rules promulgated by the Director of the Department of Labor.

SECTION 754. Arkansas Code § 11-2-204(a), concerning confidentiality of records and information of the Arkansas Mediation and Conciliation Service, is amended to read as follows:

(a) All files, reports, letters, memoranda, minutes, documents, or other papers in the official custody of the Arkansas Mediation and Conciliation Service or any of its employees, or any other information, whether written or not, obtained in the course of any employee's official duties, relating to or acquired in its or their official activities under the labor laws of the state or the rules ~~and regulations~~ lawfully promulgated by the Director of the Department of Labor, are confidential.

SECTION 755. Arkansas Code § 11-4-203(9), concerning the definition of "wage" under the Minimum Wage Act of the State of Arkansas, is amended to read as follows:

(9) "Wage" means compensation due to an employee by reason of his or her employment, payable in legal tender of the United States or checks on banks convertible into cash on demand at full face value, subject to such deductions, charges, or allowances as may be permitted by this subchapter or by ~~regulations~~ rules of the director under this subchapter.

SECTION 756. Arkansas Code § 11-4-204(a), concerning the applicability of the law most favorable to employees under the Minimum Wage Act of the State of Arkansas, is amended to read as follows:

(a) Any standards relating to minimum wages, maximum hours, or other working conditions in effect under any other law of this state on May 22, 1968, which are more favorable to employees than those applicable to employees under this subchapter or the ~~regulations~~ rules issued in this chapter shall not be deemed to be amended, rescinded, or otherwise affected by this subchapter but shall continue in full force and effect and may be enforced as provided by law unless and until they are specifically superseded by standards more favorable to employees by operation of or in accordance with ~~regulations~~ rules issued under this subchapter.

SECTION 757. Arkansas Code § 11-4-206(a)(1), concerning penalties under the Minimum Wage Act of the State of Arkansas, is amended to read as follows:

(a)(1) Any employer who willfully hinders or delays the Director of the Department of Labor or his or her authorized representative in the performance of his or her duties in the enforcement of this subchapter, willfully refuses to admit the director or his or her authorized representative to any place of employment, willfully fails to make, keep, and preserve any records as required under the provisions of this subchapter, willfully falsifies any such record, willfully refuses to make the record accessible to the director or his or her authorized representative upon demand, willfully refuses to furnish a sworn statement of the record or any other information required for the proper enforcement of this subchapter to the director or his or her authorized representative upon demand, willfully fails to post a summary of this subchapter or a copy of any applicable ~~regulations~~ rules as required by § 11-4-216, pays or agrees to pay minimum wages at a rate less than the rate applicable under this subchapter, or otherwise willfully violates any provision of this subchapter or of any ~~regulation~~ rule issued under this subchapter shall be deemed in violation of this subchapter and shall be subject to a civil penalty of not less than fifty dollars ($50.00) and not more than one thousand dollars ($1,000) for each violation.

SECTION 758. Arkansas Code § 11-4-209(a)-(c), concerning the powers and duties of the Director of the Department of Labor, are amended to read as follows:

(a) For any occupation, the Director of the Department of Labor shall make and revise such administrative ~~regulations~~ rules, including definitions of terms, as he or she may deem appropriate to carry out the purposes of this subchapter or necessary to prevent the circumvention or evasion thereof and to safeguard the minimum wage rates established.

(b) The ~~regulations~~ rules may include, but are not limited to, ~~regulations~~ rules governing:

(1) Outside or commission salespersons;

(2) Learners and apprentices, their number, proportion, and length of service;

(3) Part-time pay, bonuses, and fringe benefits;

(4) Special pay for special or extra work;

(5) Permitted charges to employees or allowances for board, lodging, apparel, or other facilities or services customarily furnished by employers to employees;

(6) Allowances for gratuities; and

(7) Allowances for other special conditions or circumstances which may be usual in a particular employer-employee relationship.

(c) ~~Regulations~~ Rules shall be promulgated pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 759. Arkansas Code § 11-4-209(d)(1)(C), concerning the powers and duties of the Director of the Department of Labor, is amended to read as follows:

(C) Question employees for the purpose of ascertaining whether the provisions of this subchapter and ~~regulations~~ rules issued under this subchapter have been and are being complied with;

SECTION 760. Arkansas Code § 11-4-209(d)(3) and (4), concerning the powers and duties of the Director of the Department of Labor, are amended to read as follows:

(3) Publish all ~~regulations~~ rules promulgated pursuant to this subchapter; and

(4) Otherwise implement and enforce the provisions of this subchapter and the ~~regulations~~ rules issued under this subchapter.

SECTION 761. Arkansas Code § 11-4-211(g), concerning overtime under the Minimum Wage Act of the State of Arkansas, is amended to read as follows:

(g) By rule ~~or regulation~~, the Director of the Department of Labor may authorize employment in excess of the standard set by subsection (a) of this section or may authorize the calculation of overtime on a basis other than the regular rate of pay required by subsection (a) of this section for employment:

(1) Necessitating irregular hours of work;

(2) At a piece rate;

(3) Paying on a commission basis in a retail or service establishment;

(4) In a hospital or enterprise engaged in the care of the sick, the aged, or individuals with mental illness;

(5) By an independently-owned-and-controlled local enterprise engaged in the wholesale or bulk distribution of petroleum products; and

(6) Under a collective bargaining agreement.

SECTION 762. Arkansas Code § 11-4-214(a) and (b), concerning handicapped workers under the Minimum Wage Act of the State of Arkansas, are amended to read as follows:

(a) Any person handicapped by lack of skill, age, or physical or mental deficiency or injury in any way that his or her earning capacity is impaired shall be granted a temporary special exemption license or permit authorizing the employment of the person at wages lower than the minimum prescribed in this subchapter until such time as the Director of the Department of Labor shall hold a hearing and prescribe ~~regulations~~ rules regarding exemption of these persons as authorized in this section.

(b)(1) The director may provide by ~~regulation~~ rule, after notice and public hearing at which any person may be heard, for the employment in any occupation of individuals whose earning capacity is impaired by age or physical or mental deficiency or injury at wages lower than the minimum wage rate provided in § 11-4-210 as he or she may find appropriate to prevent curtailment of opportunities for employment, to avoid undue hardship, and to safeguard the minimum wage rate under this subchapter.

(2) In addition, the director, by ~~regulation~~ rule or special order, may provide for the employment of handicapped clients in work

activities centers under special certificates at wages that are less than the minimum prescribed in § 11-4-210 that the director determines constitutes equitable compensation for the clients in work activities centers.

SECTION 763. Arkansas Code § 11-4-215 is amended to read as follows:

11-4-215. Learners, apprentices, and full-time students.

(a) For any occupation, the Director of the Department of Labor may provide, by ~~regulation~~ rule, after a public hearing at which any person may be heard, for the employment in the occupation of learners, apprentices, and full-time students at wages lower than the minimum wage rate provided in § 11-4-210(b) as he or she may find appropriate to prevent curtailment of opportunities for employment and to safeguard the minimum wage rate under this subchapter.

(b) No employee shall be employed at wages fixed pursuant to this section, except under special license issued under applicable ~~regulations~~ rules of the director.

SECTION 764. Arkansas Code § 11-4-216 is amended to read as follows:

11-4-216. Posting of law.

(a) Every employer subject to any provisions of this subchapter or of any ~~regulations~~ rules issued under this subchapter shall keep a summary of this subchapter, approved by the Director of the Department of Labor, and copies of any applicable ~~regulations~~ rules issued under this subchapter, or a summary of the ~~regulations~~ rules approved by the director, posted in a conspicuous and accessible place in or about the premises wherein any person subject thereto is employed.

(b) Employers shall be furnished copies of the summaries of this statute and ~~regulations~~ rules by the director on request without charge.

SECTION 765. Arkansas Code § 11-4-217(a), concerning records kept by employer under the Minimum Wage Act of the State of Arkansas, is amended to read as follows:

(a) Every employer subject to any provision of this subchapter or of any ~~regulation~~ rule issued under this subchapter shall make and keep for a period of not less than three (3) years in or about the premises wherein any employee is employed a record of the name, address, and occupation of each of

his or her employees, the rate of pay, the amount paid each pay period to each employee, and such other information as the Director of the Department of Labor shall prescribe by ~~regulation~~ rule as necessary or appropriate for the enforcement of the provisions of this subchapter or of the ~~regulations~~ rules under this subchapter.

SECTION 766. Arkansas Code § 11-4-219(a), concerning judicial review under the Minimum Wage Act of the State of Arkansas, is amended to read as follows:

(a) Any interested person in any occupation for which any administrative ~~regulation~~ rule has been issued under the provisions of this subchapter who may be aggrieved by any ~~regulation~~ rule may obtain a review thereof in the circuit court of the county of the residence of the aggrieved party by filing in the court within twenty (20) days after the date of publication of the ~~regulation~~ rule a written petition praying that the ~~regulation~~ rule be modified or set aside.

SECTION 767. Arkansas Code § 11-4-219(c), concerning judicial review under the Minimum Wage Act of the State of Arkansas, is amended to read as follows:

(c)(1) The court shall review the record of the proceedings before the director, and the director's findings of fact shall be affirmed if supported by substantial evidence. The court shall determine whether the ~~regulation~~ rule is in accordance with law.

(2) If the court determines that the ~~regulation~~ rule is not in accordance with law, it shall remand the case to the director with directions to modify or revoke the ~~regulation~~ rule.

SECTION 768. Arkansas Code § 11-4-219(f), concerning judicial review under the Minimum Wage Act of the State of Arkansas, is amended to read as follows:

(f)(1) The commencement of proceedings under subsections (a)-(d) of this section, unless specifically ordered by the court, shall not operate as a stay of an administrative ~~regulation~~ rule issued under the provisions of this subchapter.

(2) The court shall not grant any stay of an administrative

~~regulation~~ rule unless the person complaining of the ~~regulation~~ rule shall file an amount in the court, undertaking with a surety satisfactory to the court, for payment to the employees affected by the ~~regulation~~ rule in the event that the ~~regulation~~ rule is affirmed. The surety shall be in an amount by which the compensation the employees are entitled to receive under the ~~regulation~~ rule exceeds the compensation they actually receive while the stay is in effect.

SECTION 769. Arkansas Code § 11-5-205 is amended to read as follows:

11-5-205. State Board of Health — Rules ~~and regulations~~.

It shall be the duty of the State Board of Health to adopt rules ~~and regulations~~ pertaining to the control of industrial health hazards, including and concerning the maximum allowable limits of materials, ventilation requirements, water supplies, excreta disposal facilities, washing and shower facilities, and other matters pertaining to the maintenance of the health of the worker.

SECTION 770. Arkansas Code § 11-6-103(a)(1), concerning the disposition of fines and penalties for violations of child labor laws, is amended to read as follows:

(a)(1) Any person, firm, corporation, partnership, association, parent, guardian, or custodian who employs or permits or suffers any child to be employed or to work in violation of this subchapter or §§ 11-12-101 — 11-12-105, or any ~~regulations~~ rules issued thereunder, shall be subject to a civil penalty of not less than fifty dollars ($50.00) and not more than one thousand dollars ($1,000) for each violation.

SECTION 771. Arkansas Code § 11-6-103(g), concerning the disposition of fines and penalties for violations of child labor laws, is amended to read as follows:

(g) In addition to the civil penalty provided by this section, the director is authorized to petition any court of competent jurisdiction, without paying costs or giving bond for costs, to enjoin or restrain any person, firm, corporation, partnership, or association who violates the provisions of this subchapter or §§ 11-12-101 — 11-12-105, or any ~~regulation~~ rule issued thereunder.

SECTION 772. Arkansas Code § 11-6-111(b)(2), concerning inspection of workplace and prosecution of violators under child labor laws, is amended to read as follows:

(2) The director is authorized to adopt rules ~~and regulations~~ for the enforcement and administration of this subchapter.

SECTION 773. Arkansas Code § 11-7-206(a)(1), concerning the powers and duties of the State Mine Inspector, is amended to read as follows:

(1) Recommend to the various operators of coal mines throughout the state all safety ~~regulations~~ rules that he or she shall deem advisable; and

SECTION 774. Arkansas Code § 11-8-106(a), concerning contract exemptions and setoff for insurance contributions after the injury or death of an employee, is amended to read as follows:

(a) Any contract, rule, ~~regulation,~~ or device whatsoever, the purpose or intent of which shall be to enable any corporation to exempt itself from any liability created by §§ 11-8-101 — 11-8-108, shall to that extent be void.

SECTION 775. Arkansas Code § 11-9-106(g), concerning penalties for misrepresentation in workers' compensation cases, is amended to read as follows:

(g) The Insurance Commissioner, with the cooperation and assistance of the Workers' Compensation Commission, is authorized to establish rules ~~and regulations~~ as may be necessary to carry out the provisions of this section.

SECTION 776. Arkansas Code § 11-9-118(d), concerning provider payments while claims are pending under workers' compensation laws, is amended to read as follows:

(d) This section shall not avoid, modify, or amend any other section or subsection of this chapter, including, but not limited to, the prohibition against balanced billing contained in § 11-9-508(d)(3) and any rules ~~and regulations~~ adopted thereunder.

SECTION 777. Arkansas Code § 11-9-205(a)(1)(A), concerning the administration of staff and expenditures of the Workers' Compensation Commission, is amended to read as follows:

(A) To make such rules ~~and regulations~~ as may be found necessary;

SECTION 778. Arkansas Code § 11-9-205(a)(2)(A), concerning the administration of staff and expenditures of the Workers' Compensation Commission, is amended to read as follows:

(2)(A) Prior to the adoption, prescription, amendment, modification, or repeal of any rule~~, regulation,~~ or form, the commission shall give at least forty-five (45) days' notice of its intended action.

SECTION 779. Arkansas Code § 11-9-205(a)(4), concerning the administration of staff and expenditures of the Workers' Compensation Commission, is amended to read as follows:

(4) Each rule~~, regulation,~~ or form adopted by the commission shall be effective twenty (20) days after adoption unless a later date is specified by law or in the rule itself.

SECTION 780. Arkansas Code § 11-9-207(a)(9), concerning the powers and duties of the Workers' Compensation Commission, is amended to read as follows:

(9) To prescribe rules ~~and regulations~~ governing the representation of employees, employers, and carriers in respect to claims before the commission;

SECTION 781. Arkansas Code § 11-9-207(b)(2), concerning the powers and duties of the Workers' Compensation Commission, is amended to read as follows:

(2) The fees shall be established by ~~regulation~~ rule of the commission.

SECTION 782. Arkansas Code § 11-9-210(b), concerning the funding of death and permanent total disability trust fund obligations and the purchase of annuity contracts by the Workers' Compensation Commission, is amended to

read as follows:

(b) The commission shall adopt such appropriate rules ~~and regulations~~ consistent with the provisions of this section and §§ 23-96-104O(2) and X(2) and 23-96-114F and G as it deems necessary to enable it to efficiently and effectively administer the provisions of this section and §§ 23-96-104O(2) and X(2) and 23-96-114F and G and any structured annuity arrangement it may enter into pursuant to the authority granted herein.

SECTION 783. Arkansas Code § 11-9-306(f), concerning the determination of surplus in the Workers' Compensation Fund and rate of taxation, is amended to read as follows:

(f) The commission shall have the authority to promulgate rules ~~or regulations~~ for administration of the assessment and tax collection process, including, but not limited to, rules ~~and regulations~~ applicable to the funds established in § 11-9-301.

SECTION 784. Arkansas Code § 11-9-404(a)(3)(A), concerning the requirement of an employer to secure workers' compensation payments, is amended to read as follows:

(3)(A) The commission, under such rules ~~and regulations~~ as it may prescribe, may permit two (2) or more employers engaged in the same type of business activity or pursuit to enter into agreements to pool their liabilities under this section for the purpose of qualifying as self-insurers, and each such approved group shall be classified as an homogeneous self-insurer.

SECTION 785. Arkansas Code § 11-9-405(a), concerning substitution of insurance carrier for employer for workers' compensation coverage, is amended to read as follows:

(a) In any case where the employer is not a self-insurer, in order that the liability for compensation imposed by this chapter may be most effectively discharged by the employer and in order that the administration of this chapter with respect to that liability may be facilitated, the Workers' Compensation Commission shall by ~~regulation~~ <u>rule</u> provide for the discharge by the carrier, for the employer, of the obligations and duties of the employer with respect to such liability imposed by this chapter upon the

employer as it considers proper in order to effectuate the provisions of this chapter.

SECTION 786. Arkansas Code § 11-9-408(d), concerning insurance policies for workers' compensation coverage, is amended to read as follows:

(d) Under such rules ~~and regulations~~ as may be adopted by the Insurance Commissioner, and notwithstanding other provisions of this chapter, he or she may certify five (5) or more employers as an insurance group which shall be considered an employer for the purposes of this chapter.

SECTION 787. Arkansas Code § 11-9-409(a)(5)(C), concerning the establishment of the Workers' Health and Safety Division and safety and health loss control consultative services, is amended to read as follows:

(C) Such educational materials shall include specific references to the requirements of state <u>laws and rules</u> and federal laws and regulations, to recommendations and practices of business, industry, and trade associations, and, where needed, to recommended work practices based on recommendations made by the division, in cooperation and with the assistance of the Department of Labor and the State Insurance Department, for the prevention of injury.

SECTION 788. Arkansas Code § 11-9-503(a)(1), concerning violation of safety provisions by an employer, is amended to read as follows:

(a)(1) Notwithstanding any other definition of extra-hazardous employer as provided by § 11-9-409(c), any employer who fails to utilize the consultative safety services available through the Department of Labor, its own insurance carrier, or a private safety consultant shall be identified as an extra-hazardous employer if it is established by a preponderance of the evidence that an injury or death is caused in substantial part by the failure of the employer to comply with any Arkansas statute or official ~~regulation~~ <u>rule</u> pertaining to the health or safety of employees or fails to follow safety consultant recommendations.

SECTION 789. Arkansas Code § 11-9-508(c), concerning the liability of employer for medical services and supplies, is amended to read as follows:

(c) In order to help control the cost of medical benefits, the

commission, on or before July 1, 1994, following a public hearing and with the assistance and cooperation of the State Insurance Department, is authorized and directed to establish appropriate rules ~~and regulations~~ to establish and implement a system of managed health care for the State of Arkansas.

SECTION 790. Arkansas Code § 11-9-508(d)(1) and (2), concerning the liability of an employer for medical services and supplies, are amended to read as follows:

(1) Develop rules ~~and regulations~~ for the certification of managed care entities to provide managed care to injured workers;

(2) Develop ~~regulations~~ rules for peer review, service utilization, and resolution of medical disputes;

SECTION 791. Arkansas Code § 11-9-508(f), concerning the liability of an employer for medical services and supplies, is amended to read as follows:

(f) The commission is authorized to promulgate any other rules ~~or regulations~~ as may be necessary to carry out the provisions of this section and its purpose of controlling medical costs through the establishment of a managed care system.

SECTION 792. Arkansas Code § 11-9-514(g), concerning medical services, supplies, and change of physician, is amended to read as follows:

(g) The commission shall by ~~regulation~~ rule require the inclusion of the information set forth in subsection (f) of this section on all AR-P forms.

SECTION 793. Arkansas Code § 11-9-516(b), concerning medical services, supplies, and information furnished by provider, is amended to read as follows:

(b) No person who in good faith pursuant to subsection (a) of this section or pursuant to rules ~~and regulations~~ established by the commission reports medical information shall incur legal liability for the disclosure of the information.

SECTION 794. Arkansas Code § 11-9-517 is amended to read as follows:

11-9-517. Medical services and supplies — Rules ~~and regulations~~.

The Workers' Compensation Commission is authorized to establish rules ~~and regulations~~, including schedules of maximum allowable fees for specified medical services rendered with respect to compensable injuries, for the purpose of controlling the cost of medical and hospital services and supplies provided pursuant to §§ 11-9-508 — 11-9-516.

SECTION 795. Arkansas Code § 11-9-528(b) and (c), concerning employer records of injuries to employees, are amended to read as follows:

(b) The record shall contain such information of disability or death with respect to the injury as the Workers' Compensation Commission may by rule ~~or regulation~~ require.

(c) The record shall be available for inspection by the commission or by any state authority at such time and under such conditions as the commission may by rule ~~or regulation~~ prescribe.

SECTION 796. The introductory language of Arkansas Code § 11-9-703, concerning preliminary conference procedures, is amended to read as follows:

The Workers' Compensation Commission is authorized and directed to promulgate appropriate rules ~~and regulations~~ to establish and implement, for claims with respect to injuries occurring on or after January 1, 1987, a preliminary conference procedure designed to accomplish the following objectives:

SECTION 797. Arkansas Code § 11-9-705(b)(1)(B), concerning the nature of Workers' Compensation Commission proceedings generally, is amended to read as follows:

(B) The commission shall~~,~~ by rule ~~or regulation,~~ provide for the preparation of a record of all hearings and other proceedings before it.

SECTION 798. Arkansas Code § 11-9-812(b), concerning incarceration of an injured employee receiving workers' compensation benefits, is amended to read as follows:

(b) The commission shall promulgate ~~regulations~~ rules necessary for the implementation of this section.

SECTION 799. Arkansas Code § 11-9-813(a)(1), concerning insurance deductibles approved by the Insurance Commissioner, is amended to read as follows:

(a)(1) Upon approval by the Insurance Commissioner, and following the adoption of such rules ~~and regulations~~ as the Insurance Commissioner deems necessary and advisable, each insurer issuing a policy under this chapter shall offer, as a part of the policy or as an optional endorsement to the policy, deductibles optional to the policyholder for benefits payable under this chapter.

SECTION 800. Arkansas Code § 11-9-813(d), concerning insurance deductibles approved by the Insurance Commissioner, is amended to read as follows:

(d) If the Insurance Commissioner determines it to be feasible, and under such rules ~~and regulations~~ as he or she may adopt, premium reduction for deductibles may be determined before the application of any experience modification, premium surcharge, or premium discounts, and, to the extent that an employer's experience rating or safety record is based on benefits paid, money paid by the insured employer under a deductible as provided in this section may not be included as benefits paid so as to harm the experience rating of the employer.

SECTION 801. Arkansas Code § 11-9-902 is amended to read as follows:

11-9-902. ~~Regulations~~ Rules.

The Workers' Compensation Commission shall promulgate ~~regulations~~ rules to implement this subchapter.

SECTION 802. Arkansas Code § 11-10-106(c)(1), concerning penalties for false statements or representations related to the Department of Workforce Services, is amended to read as follows:

(1) Any person who shall willfully violate any provision of this chapter or any order~~,~~ or rule~~, or regulation~~ thereunder, the violation of which is made unlawful or the observance of which is required under the terms of this chapter, and for which a penalty is neither prescribed herein nor provided by any other applicable statute, shall be punished by a fine of not

less than twenty dollars ($20.00) nor more than two hundred dollars ($200) or by imprisonment for not longer than sixty (60) days, or by both fine and imprisonment.

SECTION 803. Arkansas Code § 11-10-207 is amended to read as follows:

11-10-207. ~~Regulations~~ Rules.

All ~~regulations~~ rules previously promulgated under this chapter shall be enforceable by the Director of the Department of Workforce Services and shall remain in full force and effect unless or until such time as amended by the director.

SECTION 804. Arkansas Code § 11-10-214(b), concerning the definition of "unemployed" under the Department of Workforce Services Law, is amended to read as follows:

(b) An individual's week of unemployment shall be deemed to commence the day on which he or she registers at a local employment office, except as the Director of the Department of Workforce Services may, by ~~regulation~~ rule, otherwise prescribe.

SECTION 805. Arkansas Code § 11-10-215(a)(1), concerning the definition of "wages" under the Department of Workforce Services Law, is amended to read as follows:

(a)(1) As used in this chapter, "wages" means all remuneration paid for personal services, including without limitation, commissions, bonuses, cash value of all remuneration paid in any medium other than cash, the value of which shall be estimated and determined in accordance with ~~regulations~~ rules prescribed by the Director of the Department of Workforce Services, and tips received while performing services which constitute employment and which are included in a written statement furnished to the employer pursuant to 26 U.S.C. § 6053(a).

SECTION 806. Arkansas Code § 11-10-215(b), concerning the definition of "wages" under the Department of Workforce Services Law, is amended to read as follows:

(b) Except as otherwise provided in ~~regulations~~ rules prescribed by the director, any third party which makes a sickness or accident disability

payment which is defined in this section as wages shall be treated for purposes of this section and §§ 11-10-701 — 11-10-715 as the employer with respect to the wages.

SECTION 807. Arkansas Code § 11-10-306(b)(1), concerning the duties and powers of the Director of the Department of Workforce Services, is amended to read as follows:

(b)(1) The Director shall have power and authority to adopt, amend, or rescind such rules ~~and regulations~~, employ such persons, make such expenditures, require such reports, make such investigations, and take such other action as he or she deems necessary or suitable to that end.

SECTION 808. Arkansas Code § 11-10-306(c), concerning the duties and powers of the Director of the Department of Workforce Services, is amended to read as follows:

(c) Rules ~~and regulations~~ shall be effective upon publication in the manner, not inconsistent with the provisions of this chapter, which the director shall prescribe.

SECTION 809. Arkansas Code § 11-10-307(b), concerning the Director of the Department of Workforce Services' authority over rules, is amended to read as follows:

(b) ~~Regulations~~ Rules may be adopted, amended, or rescinded by the director and shall become effective in the manner and at the time prescribed by the director.

SECTION 810. Arkansas Code § 11-10-309 is amended to read as follows:

11-10-309. Director — Publication of rules, reports, etc.

The Director of the Department of Workforce Services shall make available for distribution to the public the text of this chapter, his or her ~~regulations and~~ general and special rules, his or her annual report to the Governor, and any other material he or she deems relevant and suitable and shall furnish the materials to any person upon application therefor.

SECTION 811. Arkansas Code § 11-10-310(c) and (d), concerning the authority of the Director of the Department of Workforce Services over

personnel, are amended to read as follows:

(c) The director is authorized and directed to provide for a merit system covering all persons employed in the administration of this chapter and shall have authority, by ~~regulation~~ rule, to provide for all matters that are appropriate to the maintenance of this system on the basis of efficiency and fitness.

(d) The director is authorized to adopt such ~~regulations~~ rules as may be necessary to meet personnel standards promulgated by the Social Security Board pursuant to the Social Security Act, and the Wagner-Peyser Act, and to provide for the maintenance of the merit system required under this section in conjunction with any merit system applicable to any other state agency which meets the personnel standards promulgated by the board.

SECTION 812. Arkansas Code § 11-10-312(a), concerning the Director of the Department of Workforce Services and federal-state cooperation, is amended to read as follows:

(a) In the administration of this chapter, the Director of the Department of Workforce Services shall cooperate with the United States Department of Labor to the fullest extent consistent with the provisions of this chapter and shall take such action, through the adoption of such appropriate rules, ~~regulations,~~ administrative methods, and standards as may be necessary to secure to this state and its citizens all advantages available under the provisions of the Social Security Act that relate to unemployment compensation, the Federal Unemployment Tax Act, the Wagner-Peyser Act, the Job Training Partnership Act [repealed], and the Federal-State Extended Unemployment Compensation Act of 1970.

SECTION 813. Arkansas Code § 11-10-314(b)(2)(A), concerning the Director of the Department of Workforce Services and the disclosure of information, is amended to read as follows:

(A) Any claimant may be supplied, subject to such restrictions as the director may by ~~regulation~~ rule prescribe, with any information contained in his or her unemployment insurance benefit payment record or on his or her most recent monetary determination;

SECTION 814. Arkansas Code § 11-10-314(c)(1)(A), concerning the

Director of the Department of Workforce Services and the disclosure of information, is amended to read as follows:

(c)(1)(A) Subject to such restrictions as the director may by ~~regulation~~ rule prescribe, the confidential information may be made available to any agency of this or any other state, or any federal agency, charged with the administration of an unemployment compensation law or the maintenance of a system of public employment offices, the Internal Revenue Service, the Office of Federal Contract Compliance Programs, the United States Bureau of Labor Statistics of the United States Department of Labor, or any state or federal agency for income or eligibility verification purposes but except as may otherwise be provided in this section and § 11-10-305 [repealed], §§ 11-10-306 — 11-10-312 and 11-10-315 — 11-10-318 only as and to the extent mandated by Pub. L. No. 98-369 and implementing regulations promulgated thereunder by the United States Department of Labor.

SECTION 815. Arkansas Code § 11-10-314(e)(2), concerning the Director of the Department of Workforce Services and the disclosure of information, is amended to read as follows:

(2) The director shall promulgate ~~regulations~~ rules establishing such safeguards as are necessary to ensure that information disclosed as authorized in this section to state and local child support enforcement agency officers and employees is used only for purposes of establishing and collecting child support obligations from and locating individuals owing the obligations and to ensure that information disclosed as authorized in this section to officers and employees of the United States Department of Agriculture and to officers and employees of any state food stamp agency is used only for purposes of determining an individual's eligibility for benefits or the amount of benefits under the food stamp program established under the Food Stamp Act of 1977.

SECTION 816. Arkansas Code § 11-10-319(b), concerning the Director of the Department of Workforce Services, the Board of Review, and the state and representation in court, is amended to read as follows:

(b) Criminal Actions. All criminal actions for violations of any provisions of this chapter, or any rule ~~or regulation~~ issued pursuant thereto, shall be prosecuted by the Attorney General of the state, or by the

prosecuting attorney of the county in which the violation occurred.

SECTION 817. Arkansas Code § 11-10-321(b), concerning the deposit and disbursement to the Employment Security Administration Fund, is amended to read as follows:

(b) Disbursements shall be paid out of the fund on requisitions drawn by the Director of the Department of Workforce Services under ~~regulations~~ rules of the director.

SECTION 818. Arkansas Code § 11-10-402 is amended to read as follows:

11-10-402. Termination.

Except as otherwise provided in § 11-10-403, an employing unit may cease to be an employer subject to this chapter in accordance with the ~~regulations~~ rules of the Director of the Department of Workforce Services.

SECTION 819. Arkansas Code § 11-10-501(b), concerning payment from the Unemployment Compensation Fund, is amended to read as follows:

(b) All benefits shall be paid through Department of Workforce Services offices, in accordance with such ~~regulations~~ rules as the Director of the Department of Workforce Services may prescribe.

SECTION 820. Arkansas Code § 11-10-507(1) and (2), concerning eligibility of an insured worker to receive benefits, are amended to read as follows:

(1) Claim for Benefits. He or she has made a claim for benefits with respect to such week in accordance with such ~~regulations~~ rules as the director may prescribe;

(2) Registration and Reporting. He or she has registered for work at and thereafter continued to report to a Department of Workforce Services office in accordance with such ~~regulations~~ rules as the director may prescribe. The director, by ~~regulation~~ rule, may waive or alter either or both of the requirements of this subdivision as to individuals attached to regular jobs and as to such other types of cases or situations with respect to which he or she finds that compliance with these requirements would be oppressive or would be inconsistent with the purpose of this chapter. However, no such ~~regulations~~ rules shall conflict with § 11-10-501;

SECTION 821. Arkansas Code § 11-10-520(a) and (b), concerning posting of information regarding employee rights and claims by an employer, are amended to read as follows:

(a) Each employer shall post and maintain, in places readily accessible to individuals in the employer's employ, printed statements concerning benefit rights, claims for benefits, and such other matters relating to the administration of this chapter as the Director of the Department of Workforce Services may by ~~regulation~~ rule prescribe.

(b) Each employer shall supply to those individuals copies of such printed statements or other materials relating to claims for benefits when, and as, the director may by ~~regulation~~ rule prescribe.

SECTION 822. Arkansas Code § 11-10-521(a), concerning filing claims for benefits and providing notice to last employer, is amended to read as follows:

(a) Claims for benefits shall be made in accordance with ~~regulations~~ rules the Director of the Department of Workforce Services prescribes.

SECTION 823. Arkansas Code § 11-10-523(f), concerning the creation of the Board of Review for administrative appeals of claims filed with the Department of Workforce Services, is amended to read as follows:

(f) The chair, the members, and the examiner and reporter, as provided for above, shall all receive their actual and necessary expenses incurred, in accordance with the ~~regulations~~ rules of the Department of Workforce Services.

SECTION 824. Arkansas Code § 11-10-526(a)(2), concerning the claims procedure for an administrative appeal filed with the Board of Review for claims filed with the Department of Workforce Services, is amended to read as follows:

(2) In like manner as provided at § 11-10-307(a) for the adopting, amending, or rescinding of general rules by the Director of the Department of Workforce Services, the board may adopt reasonable ~~regulations~~ rules governing the manner of filing appeals, the conduct of hearings, and other appellate procedures, consistent with this chapter.

SECTION 825. Arkansas Code § 11-10-535 is amended to read as follows:

11-10-535. Extended benefits — Effect of provisions relating to regular benefits.

Except when the result would be inconsistent with the other provisions of this section, as provided in the ~~regulations~~ rules of the Director of the Department of Workforce Services, the provisions of this chapter which apply to claims for, or the payment of, regular benefits shall apply to claims for, and the payment of, extended benefits.

SECTION 826. Arkansas Code § 11-10-610(d), concerning the amount of benefits for work unemployment compensation and the filing of claims, is amended to read as follows:

(d) Claims for shared work unemployment compensation benefits shall be filed in the same manner as claims for unemployment compensation or as prescribed in ~~regulations~~ rules by the Director of the Department of Workforce Services.

SECTION 827. Arkansas Code § 11-10-701(a)(2), concerning accrual and payment by an employer to the Unemployment Compensation Fund, is amended to read as follows:

(2) The contributions shall become due and be paid by each employer to the Director of the Department of Workforce Services for the Unemployment Compensation Fund in accordance with such ~~regulations~~ rules as the director may prescribe and shall not be deducted, in whole or in part, from the wages of individuals in employment for the employer.

SECTION 828. Arkansas Code § 11-10-703(a)(3), concerning the future rates and maintenance of separate accounts for each employer for unemployment benefit payments, is amended to read as follows:

(3) However, regular benefit payments shall not be charged to the separate account of any employer if the employer provides the director with notices regarding separation from work as are required by ~~regulations~~ rules of the director if the director finds that:

(A) The claimant voluntarily left the employer without good cause connected with the work; or

(B) The claimant was discharged by the employer for misconduct connected with the work.

SECTION 829. Arkansas Code § 11-10-707(a)(2)(B), concerning notifications of future rates for voluntary elections for unemployment benefits, is amended to read as follows:

(B) A voluntary election by an employer shall be made at the time and in the manner prescribed by ~~regulations~~ rules of the Director of the Department of Workforce Services.

SECTION 830. Arkansas Code § 11-10-708(e), concerning advance interest tax contributions to the Unemployment Compensation Fund Clearing Account, is amended to read as follows:

(e) The director shall promulgate such ~~regulations~~ rules as are necessary to carry out the provisions of this section.

SECTION 831. Arkansas Code § 11-10-713(c)(6)(A), concerning employees of nonprofit organizations and governmental entities and contributions to the Unemployment Compensation Fund, is amended to read as follows:

(6)(A) The director, in accordance with such ~~regulations~~ rules as he or she may prescribe, shall notify each employer filing an election notice of any determination that he or she may make under this section and of the effective date or the termination date of the election.

SECTION 832. Arkansas Code § 11-10-713(g)(4), concerning employees of nonprofit organizations and governmental entities and contributions to the Unemployment Compensation Fund, is amended to read as follows:

(4) The director shall prescribe such ~~regulations~~ rules as he or she deems necessary with respect to applications for establishment, maintenance, and termination of group accounts that are authorized by this subsection, for addition of new members to, and withdrawal of active members from, the accounts, and for the determination of the amounts that are payable under this subsection by members of the group and the time and manner of the payments.

SECTION 833. Arkansas Code § 11-10-716(a)(3), concerning collection of

interest on past due contributions directed to the Department of Workforce Services Special Fund, is amended to read as follows:

(3) The date as of which payment of contributions, if mailed, is deemed to have been received may be determined by such ~~regulations~~ rules as the director may prescribe.

SECTION 834. Arkansas Code § 11-10-717(b)(3)(A), concerning failure to pay or report a penalty by an employer, is amended to read as follows:

(A) The employer has failed to supply all information, including, but not limited to, employee wage information, employee Social Security number, and a separate accounting of seasonal worker wages within and without the normal seasonal period of operations, directed by ~~regulations~~ rules prescribed by the director;

SECTION 835. Arkansas Code § 11-11-204(b), concerning the powers and duties of the Department of Labor and the Director of the Department of Labor, is amended to read as follows:

(b) The Director of the Department of Labor shall have the power, jurisdiction, and authority to issue licenses to employment agencies, agency managers, and counselors and to refuse to issue, revoke, or suspend the licenses when, after due investigation, and in compliance with the procedures set forth in §§ 11-11-221 and 11-11-222, the director finds that the applicant is for good and sufficient cause unfit to be an employment agent, agency manager, or counselor within the meaning of this subchapter or any rules~~, regulations,~~ or orders lawfully promulgated under this subchapter.

SECTION 836. Arkansas Code § 11-11-204(d)(1), concerning the powers and duties of the Department of Labor and the Director of the Department of Labor, is amended to read as follows:

(d)(1) The director may prescribe such rules ~~and regulations~~ for the conduct of the business of private employment agencies as necessary to implement this subchapter.

SECTION 837. Arkansas Code § 11-11-204(d)(3), concerning the powers and duties of the Department of Labor and the Director of the Department of Labor, is amended to read as follows:

(3) Adoption of rules ~~and regulations~~ pursuant to this subsection shall be carried out in compliance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 838. Arkansas Code § 11-11-213(a)(3), concerning bond required for an employment agency license, is amended to read as follows:

(3) The bond shall be conditioned that the employment agency and each member, employee, shareholder, director, or officer of a person, firm, partnership, corporation, or association operating as the employment agency will not violate the provisions of this subchapter or violate rules~~, regulations,~~ or orders lawfully promulgated by the director or violate the terms of any contract made by the employment agent in the conduct of its business.

SECTION 839. Arkansas Code § 11-11-220(a)(2)(A), concerning cessation of business by alicensee, is amended to read as follows:

(2)(A) When one (1) or more individuals, on the basis of whose qualifications an agency license has been obtained, ceases to be connected with the licensed business for any reason whatsoever, the agency business may be carried on for a temporary period not to exceed thirty (30) days, under such terms and conditions as the Director of the Department of Labor shall provide by ~~regulation~~ rule for the orderly closing of the business or the replacement and qualification of a new member, partner, or corporate officer, director, or shareholder.

SECTION 840. Arkansas Code § 11-11-221(b)(2), concerning grounds for the issuance, refusal, suspension, or revocation of a license, is amended to read as follows:

(2) That the employment agent, agency manager, or counselor has violated any of the rules ~~and regulations~~ or other orders lawfully promulgated by the director;

SECTION 841. Arkansas Code § 11-11-221(b)(6), concerning grounds for the issuance, refusal, suspension, or revocation of a license, is amended to read as follows:

(6) That the applicant is for good and sufficient cause unfit to

be an employment agent, agency manager, or employment counselor within the meaning of this subchapter or of any of the rules ~~and regulations~~ or orders lawfully promulgated by the director.

SECTION 842. Arkansas Code § 11-12-103 is amended to read as follows:

11-12-103. Penalty.

(a) Any person, firm, corporation, or association who violates a provision of this chapter or a lawful ~~regulation~~ rule promulgated under this chapter shall be liable for a civil penalty in accordance with the provisions of § 11-6-103.

(b)(1) Any person who willfully or intentionally violates the provisions of this chapter or a lawful ~~regulation~~ rule promulgated under this chapter is guilty of a misdemeanor and upon conviction shall be punished by a fine not to exceed one thousand dollars ($1,000) or by imprisonment for not more than thirty (30) days, or by both a fine and imprisonment.

(2) Each day that the violation continues shall be deemed a separate offense.

SECTION 843. Arkansas Code § 11-12-105(1), concerning the implementation and enforcement of laws regarding employment of children in the entertainment industry, is amended to read as follows:

(1) Promulgate rules ~~and regulations~~ for the implementation of this chapter;

SECTION 844. Arkansas Code § 12-8-103(c), concerning the powers and duties of the Arkansas State Police Commission, is amended to read as follows:

(c) The members of the commission are granted disciplinary authority equal to that of supervisory and administrative personnel of the Department of Arkansas State Police with respect to violations of rules ~~and regulations~~ committed by a department employee in the presence of a commissioner.

SECTION 845. Arkansas Code § 12-8-103(e)(2), concerning the powers and duties of the Arkansas State Police Commission, is amended to read as follows:

(2) For such purposes, the commission may promulgate and enforce

reasonable and necessary rules ~~and regulations~~.

SECTION 846. Arkansas Code § 12-8-106(a)(2), concerning the powers and duties of the Department of Arkansas State Police, is amended to read as follows:

(2) The Director of the Department of Arkansas State Police may promulgate necessary rules ~~and regulations~~ to carry out the purpose and intent of subdivision (a)(1)(B) of this section.

SECTION 847. Arkansas Code § 12-8-106(c), concerning the powers and duties of the Department of Arkansas State Police, is amended to read as follows:

(c) The department shall have the authority to establish a Crimes Against Children Division, either through transfer or by contract, to conduct child abuse investigations, to administer the Child Abuse Hotline, and, when consistent with ~~regulations~~ rules promulgated by the department, to provide training and technical assistance to local law enforcement in conducting child abuse investigations.

SECTION 848. Arkansas Code § 12-8-119(b), concerning the authority of the Director of the Department of Arkansas State Police to establish, maintain, and conduct a police training school, is amended to read as follows:

(b) The director may prescribe all rules ~~and regulations~~ necessary for the proper functioning and operating of the school.

SECTION 849. Arkansas Code § 12-8-201(b) and (c), concerning selection of members of the police force by the Director of the Department of Arkansas State Police, are amended to read as follows:

(b) The commission shall promulgate rules ~~and regulations~~ setting forth the minimum qualifications for employment as a department police officer and prescribing the manner of examination of applicants for the position.

(c) The director shall receive all applications for positions as department officers and submit them to the commission for examination as to the physical fitness and mental qualifications of the applicants and for such

other examinations as provided for by the commission's rules ~~and regulations~~.

SECTION 850. Arkansas Code § 12-8-508 is amended to read as follows:

12-8-508. Provision of information and assistance.

Notwithstanding a rule ~~or regulation~~ to the contrary, upon request of a member of the General Assembly or legislative staff or upon request of a legislative committee, the Crimes Against Children Division of the Department of Arkansas State Police shall immediately provide information requested with respect to child welfare as contemplated under the Arkansas Child Welfare Public Accountability Act, § 9-32-201 et seq.

SECTION 851. Arkansas Code § 12-9-106(b)(1), concerning the exceptions to the selection and training requirements of the Arkansas Commission on Law Enforcement Standards and Training, is amended to read as follows:

(b)(1) In addition to the requirements of subsection (a) of this section and § 12-9-104(7), the commission, by ~~rules and regulations~~ rule, shall fix such other qualifications as it deems necessary.

SECTION 852. Arkansas Code § 12-9-106(c), concerning the exceptions to the selection and training requirements of the Arkansas Commission on Law Enforcement Standards and Training, is amended to read as follows:

(c) The commission shall issue a certificate evidencing satisfaction of the requirements of subsections (a) and (b) of this section to any applicant who presents such evidence as may be required by its rules ~~and regulations~~ of satisfactory completion of a program or course of instruction in this or another state conforming to the content and quality required by the commission for approved education and training.

SECTION 853. Arkansas Code § 12-9-110(a), concerning training of civilians to file parking violations and traffic accident reports, is amended to read as follows:

(a) The Arkansas Commission on Law Enforcement Standards and Training shall by ~~regulation~~ rule establish the qualifications including minimum training standards for persons performing law enforcement-related duties pursuant to this section within cities of the first class and within other areas of the State of Arkansas for cadets that are appointed by the Director

of the Department of Arkansas State Police.

SECTION 854. Arkansas Code § 12-9-302(1), concerning the powers and duties of the Arkansas Commission on Law Enforcement Standards and Training, is amended to read as follows:

(1) Promulgate rules ~~and regulations~~ for the administration of this subchapter;

SECTION 855. Arkansas Code § 12-9-402(1), concerning the powers and duties of the Arkansas Commission on Law Enforcement Standards and Training, is amended to read as follows:

(1) Promulgate rules ~~and regulations~~ for the administration of this subchapter;

SECTION 856. Arkansas Code § 12-12-203(a)(5), concerning the duties and responsibilities of the Supervisory Board for the Arkansas Crime Information Center, is amended to read as follows:

(5) Establish such ~~regulations~~ rules and policies as may be necessary for the efficient and effective use and operation of the center under the limitations imposed by the terms of this subchapter;

SECTION 857. Arkansas Code § 12-12-203(b), concerning the duties and responsibilities of the Supervisory Board for the Arkansas Crime Information Center, is amended to read as follows:

(b) The board shall establish its own rules ~~and regulations~~ for performance of the responsibilities charged to the board in this subchapter.

SECTION 858. Arkansas Code § 12-12-205(c)(4), concerning the creation and duties of the Missing Persons Information Clearinghouse, is amended to read as follows:

(4) Be authorized to issue ~~regulations~~ rules and procedures for the orderly collection and entry of information on missing persons and unidentified deceased persons, as well as rules governing access to information on missing persons and unidentified deceased persons;

SECTION 859. Arkansas Code § 12-12-211(a)(2), concerning access to

records held in the Arkansas Crime Information Center, is amended to read as follows:

(2) Release of other noncriminal history records shall be in accordance with policies and ~~regulations~~ rules established by the Supervisory Board for the Arkansas Crime Information Center.

SECTION 860. Arkansas Code § 12-12-303(a), concerning the powers and duties of the State Crime Laboratory Board, is amended to read as follows:

(a) The State Crime Laboratory Board shall promulgate such policies~~,~~ and rules~~, and regulations~~ as shall be necessary to carry out the intent and purpose of this subchapter along with the specific duties and responsibilities set out in this subchapter.

SECTION 861. Arkansas Code § 12-12-304(b), concerning the duties of the Executive Director of the State Crime Laboratory, is amended to read as follows:

(b) The Executive Director of the State Crime Laboratory may delegate specific duties to competent and qualified associates, assistants, and deputies who may act for the executive director within the scope of the authority granted him or her, subject, however, to such rules ~~and regulations~~ as may be prescribed by the State Crime Laboratory Board.

SECTION 862. Arkansas Code § 12-12-324(d), concerning testing of firearms by the State Crime Laboratory, is amended to read as follows:

(d) A firearm seized by the Arkansas State Game and Fish Commission for violation of a commission ~~regulation~~ rule is exempt from this section.

SECTION 863. Arkansas Code § 12-12-404(b), concerning reimbursement of medical facilities by the Crime Victims Reparations Board, is amended to read as follows:

(b) The board is empowered to prescribe minimum standards~~,~~ and rules~~, and regulations~~ necessary to implement this subchapter. These shall include, but not be limited to, a cost ceiling for each claim and the determination of reasonable cost.

SECTION 864. Arkansas Code § 12-12-913(k)(2), concerning disclosure of

registration records under the Sex Offender Registration Act of 1997, is amended to read as follows:

(2) In noncompliance with the requirements of registration under rules ~~and regulations~~ promulgated by the Sex Offender Assessment Committee.

SECTION 865. Arkansas Code § 12-12-917(c)(1), concerning the evaluation protocol, sexually dangerous persons, juveniles adjudicated delinquent, and examiners under the Sex Offender Registration Act of 1997, is amended to read as follows:

(c)(1) To the extent permissible and under the procedures established by state rules and federal regulations, public agencies shall provide the committee access to all relevant records and information in the possession of public agencies or any private entity contracting with a public agency relating to the sex offender or sexually dangerous person under review.

SECTION 866. Arkansas Code § 12-12-917(g)(1), concerning the evaluation protocol, sexually dangerous persons, juveniles adjudicated delinquent, and examiners under the Sex Offender Registration Act of 1997, is amended to read as follows:

(g)(1) In cooperation with the committee, the Department of Correction shall promulgate rules ~~and regulations~~ to establish the review process for assessment determinations.

SECTION 867. Arkansas Code § 12-12-1010(b)(2)(B), concerning the dissemination of criminal history information for designated purposes, is amended to read as follows:

(B) The Director of the Arkansas Crime Information Center, the repository of criminal history records, shall execute, administer, and implement the compact on behalf of the state and may adopt necessary rules~~,~~ ~~regulations,~~ and procedures for the national exchange of criminal history records for noncriminal justice purposes.

SECTION 868. Arkansas Code § 12-12-1104(2), concerning the powers and duties of the State Crime Laboratory, is amended to read as follows:

(2) Promulgate rules ~~and regulations~~ to carry out the provisions of this subchapter; and

SECTION 869. Arkansas Code § 12-12-1109(c), concerning the DNA sample required upon adjudication of guilt for a qualifying offense, is amended to read as follows:

(c) All DNA samples taken pursuant to this section shall be taken in accordance with ~~regulations~~ rules promulgated by the State Crime Laboratory in consultation with the Department of Correction, the Department of Community Correction, the Department of Human Services, and the Administrative Office of the Courts.

SECTION 870. Arkansas Code § 12-12-1507(a)(2), concerning the administration of the release of criminal history information under the Arkansas State Criminal Records Act, is amended to read as follows:

(2) The Department of Arkansas State Police and the center may adopt rules ~~and regulations~~ consistent with the provisions and intent of this subchapter.

SECTION 871. Arkansas Code § 12-12-1512 is amended to read as follows:

12-12-1512. Rules ~~and regulations~~.

The Department of Arkansas State Police and the Arkansas Crime Information Center may promulgate rules ~~and regulations~~ as are necessary to implement, enforce, and administer this subchapter.

SECTION 872. Arkansas Code § 12-12-1708(b)(1)(B), concerning persons required to report adult or long-term care facility resident maltreatment under the Adult and Long-Term Care Facility Resident Maltreatment Act, is amended to read as follows:

(B) To the Office of Long-Term Care, under ~~regulations~~ rules of that office.

SECTION 873. Arkansas Code § 12-13-107(b) and (c), concerning the duties of the Director of the Department of Arkansas State Police, are amended to read as follows:

(b) The director is empowered to adopt reasonable rules ~~and regulations~~ for the effective administration of this subchapter to accomplish its intent and purposes, and to safeguard the public from fire hazards.

(c) The director shall make reasonable ~~regulations~~ rules for the keeping, storing, using, manufacture, selling, handling, transportation, or other disposition of highly inflammable materials and rubbish, gunpowder, dynamite, crude petroleum or any of its products, explosives or compounds or any other explosive, including fireworks, and firecrackers, and he or she may prescribe the materials and construction of receptacles and buildings to be used for any of those purposes.

SECTION 874. Arkansas Code § 12-13-110(a), concerning the inspection of buildings by the Department of Arkansas State Police under the Fire Prevention Act, is amended to read as follows:

(a)(1) Upon complaint of any person or on their own motion, the Director of the Department of Arkansas State Police and his or her officers or deputies may inspect all buildings and premises within their jurisdiction and issue an order for the compliance with the director's ~~regulations~~ rules.

(2) Failure or refusal to comply with an order of the director in the enforcement of the ~~regulations~~ rules shall be a Class A misdemeanor.

SECTION 875. Arkansas Code § 12-14-103 is amended to read as follows:

12-14-103. Rules ~~and regulations~~.

The Secretary of State is hereby authorized and empowered to promulgate rules ~~and regulations~~, and to amend or change the same from time to time as he or she shall deem necessary, providing for the operation and organization of the State Capitol Police, so long as such rules ~~and regulations~~ are not arbitrary or capricious.

SECTION 876. Arkansas Code § 12-14-104(b), concerning the territory of the State Capitol grounds and cumulative remedies of the State Capitol Police, is amended to read as follows:

(b) The provisions of this chapter shall be cumulative to any remedies that each department may now possess for enforcing its rules ~~and regulations~~, including its rights to:

(1) Impose sanctions through fees and charges;

(2) Discipline;

(3) Deny service; and

(4) Expel.

SECTION 877. Arkansas Code § 12-18-909(g)(20), concerning the availability of true reports of child maltreatment from the central registry, is amended to read as follows:

(20) The Division of Child Care and Early Childhood Education of the Department of Human Services for purposes of enforcement of licensing laws and ~~regulations~~ rules;

SECTION 878. The introductory language of Arkansas Code § 12-27-103(b), concerning the creation, powers, and duties of the Department of Correction, is amended to read as follows:

(b) The Department of Correction shall have the following functions, powers, and duties, administered in accordance with the policies~~,~~ and rules~~, and regulations~~ promulgated by the Board of Corrections:

SECTION 879. Arkansas Code § 12-27-104(b), concerning the members, records, and staff of the Board of Corrections, is amended to read as follows:

(b) The Board of Corrections shall elect a chair annually in accordance with rules ~~and regulations~~ developed by the Board of Corrections.

SECTION 880. Arkansas Code § 12-27-104(i)(1), concerning the members, records, and staff of the Board of Corrections, is amended to read as follows:

(i)(1) The Board of Corrections shall keep regular minutes of all its meetings, visits, and proceedings and shall cause the minutes, together with all orders~~,~~ and rules~~, and regulations~~ adopted by it, to be recorded in a book which shall be kept by the secretary of the Board of Corrections for that purpose.

SECTION 881. Arkansas Code § 12-27-105(b)(15), concerning the powers and duties of the Board of Corrections, is amended to read as follows:

(15) To prescribe the duties of all personnel of the Department of Correction and the Department of Community Correction and the ~~regulations~~ rules governing the transfer of employees within each department and between departments;

SECTION 882. Arkansas Code § 12-27-106(a), concerning publication of rules and laws and the report concerning administrative directives and memoranda to be filed with Legislative Council, is amended to read as follows:

(a) It shall be the duty of the Board of Corrections to publish in pamphlet form and to post in conspicuous places about the Department of Correction farms and all other penal institutions all rules~~,~~ and laws~~, and regulations~~ promulgated by the board with reference to the conduct of the prisoners confined therein.

SECTION 883. Arkansas Code § 12-27-107(d), concerning the duties of the Director of the Department of Correction, is amended to read as follows:

(d) Subject to the rules, ~~regulations,~~ policies, and procedures prescribed by the Board of Corrections, the director shall:

(1) Administer the Department of Correction and supervise the administration of all institutions, facilities, and services under the jurisdiction of the Department of Correction;

(2) Employ such personnel as are required in the administration of the provisions of this act, provided that the employment of personnel shall be in accordance with the applicable laws and personnel ~~regulations~~ rules of the state;

(3) Institute programs for the training and development of personnel within the Department of Correction and have authority to suspend, discharge, or otherwise discipline personnel in accordance with policies prescribed by the Board of Corrections;

(4) Make an annual report to the Board of Corrections, which will be forwarded to the Governor and the General Assembly, on the work of the Department of Correction, including statistics and other data, income derived by the Department of Correction from agriculture, livestock, and other farming activities and from prison inmates' activities, a summary of expenditures of the Department of Correction, and progress reports regarding internal issues such as inmate discipline, utilization of programming, facilities and bed space utilization, upkeep issues, and construction needs;

(5) Cooperate with the Department of Community Correction, the Parole Board, the Arkansas Sentencing Commission, judicial districts,

counties, and municipalities to provide the guidance and services required to ensure a full range of correctional options for the state as a whole; and

(6)(A) Designate those employees of the Department of Correction who shall have the powers of peace officers in the enforcement of criminal laws to the extent they apply to employees, inmates, and persons on Department of Correction property, while participating in the search and capture of an inmate who has escaped custody, or while assisting law enforcement officers in the search and capture of any fugitive or escapee from another jurisdiction.

(B) The employees so designated have the authority to use blue rotating or flashing emergency lights on Department of Correction vehicles and exercise other law enforcement powers exercised by police and other law enforcement personnel.

SECTION 884. Arkansas Code § 12-27-108(b), concerning the authentication of records by the Director of the Department of Correction, is amended to read as follows:

(b) All acts, orders, ~~regulations,~~ reports, and other records of the department or copies thereof which are entitled to judicial notice shall be certified to by the director with the seal affixed thereto.

SECTION 885. Arkansas Code § 12-27-113(b)(1), concerning records of commitments to the Department of Correction, is amended to read as follows:

(b)(1) The Director of the Department of Correction, in accordance with the rules~~,~~ and procedures~~, and regulations~~ promulgated by the Board of Corrections shall transfer an inmate to the Department of Community Correction, pursuant to a judicial transfer, or assign a newly committed inmate to an appropriate facility of the Department of Correction.

SECTION 886. Arkansas Code § 12-27-125(b), concerning the creation, powers, and duties of the Department of Community Correction, is amended to read as follows:

(b) The Department of Community Correction shall have the following functions, powers, and duties, administered in accordance with the policies~~,~~ and rules~~, and regulations~~ promulgated by the Board of Corrections:

(1) It shall assume management and control over all properties,

both real and personal, facilities, books, records, equipment, supplies, materials, contracts, funds, moneys, equities, and all other properties belonging to the Arkansas Adult Probation Commission [abolished], and all such properties deemed appropriate for transfer from the Department of Correction by the Board of Corrections;

(2)(A) It shall have management and control over all community correction services.

(B) It shall have management and control over all community correction facilities within the purview of the Board of Corrections existing on or created after July 1, 1993;

(3) It shall employ such officers, employees, and agents and shall secure such offices and quarters as deemed necessary to discharge the functions of the Department of Community Correction, and which are appropriately funded;

(4) It may establish and operate regional community correction facilities if funds for the regional community correction facilities have been authorized and appropriated by the General Assembly;

(5)(A) It may exercise all legally sanctioned supervision and appropriate care over all offenders referred with proper documentation from the circuit courts and all offenders transferred with proper documentation from the Department of Correction pursuant to policies established by the Board of Corrections and conditions set by the Parole Board.

(B) Legal custody remains with the referring court or the Department of Correction;

(6) It shall administer the provision of probation services for offenders processed through circuit courts;

(7) It shall administer the provision of parole services in coordination with the Parole Board and in cooperation with the Department of Correction;

(8) It shall provide support services to the Parole Board or its designated representatives as determined by the Parole Board;

(9) It shall assist the Board of Corrections in the furtherance of its goals by staffing the specific charges articulated for it through legislation and by the Board of Corrections;

(10) It shall conduct statewide public education and training to foster the provision of correctional supervision and service in community

settings;

(11) It shall provide technical assistance when necessary to any entity, program, division, or agency receiving assistance or clients through the Department of Community Correction;

(12) It shall facilitate the development of a comprehensive community correction plan through the provision of funding, criteria review, and ongoing evaluation to ensure the maintenance of quality in supervision and programming;

(13) It may accept gifts, grants, and funds from both public and private sources with prior approval of the Board of Corrections;

(14) It shall establish minimum standards for case loads, programs, facilities, and equipment and other aspects of the operation of community correction programs and facilities necessary for the provision of adequate and effective supervision and service;

(15) It shall establish minimum standards for the employment of community correction employees;

(16) It shall establish programs of research, evaluation, statistics, audit, and planning, including studies and evaluation of the performance of various functions and activities of the Department of Community Correction and studies affecting the treatment of offenders and information about other programs;

(17)(A) It may receive and disburse moneys ordered to be paid by offenders pursuant to statutory economic sanctions.

(B) It may receive fees to be levied by the courts or authorized by the Board of Corrections for participation in specified programs and to be paid by offenders on community correction.

(C) The payment of such sanctions and fees may be a condition of probation, parole, or post prison transfer or attached to admission and participation in a community correction program.

(D) The moneys collected shall be deposited into an earmarked account at the state level to be used solely for the continuation and expansion of community correction in this state.

(E) Economic sanction officers are to be authorized by the Department of Community Correction to perform these duties pursuant to policies and procedures adopted by the Board of Corrections and in accord with any state statutory accounting requirements;

(18) It may cooperate and contract with the federal government, with governmental agencies of Arkansas and other states, with political subdivisions of Arkansas, and with private contractors to provide and improve community correction options;

(19) It may inspect and evaluate any community correction site and conduct audits of financial and service records at any reasonable time to determine compliance with the Board of Corrections' rules~~, regulations,~~ and standards;

(20)(A) It shall maintain a full and complete record of each offender under its supervision.

(B)(i) To protect the integrity of a record described in subdivision (b)(20)(A) of this section and to ensure its proper use, it is unlawful to permit inspection of or disclose information contained in a record described in subdivision (b)(20)(A) of this section or to copy or issue a copy of any part of the record except:

(a) As authorized by administrative rule;

(b) By order of a court of competent jurisdiction; or

(c) Records posted on the Department of Community Correction's website as required by § 12-27-145.

(ii) The rules under subdivision (b)(20)(B)(i)(a) shall provide for adequate standards of security and confidentiality of a record described in subdivision (b)(20)(A) of this section;

(21) Subject to availability of funds, it shall employ officers, employees, and agents and secure sufficient offices for monitoring each sex offender on parole or probation who is required to register under the Sex Offender Registration Act of 1997, § 12-12-901 et seq., and who has been assessed as a risk Level 3 or Level 4 offender; and

(22)(A) It may issue an arrest warrant for the arrest of any person who, while in its custody, unlawfully escapes from the Department of Community Correction.

(B) The arrest warrant shall authorize:

(i) All law enforcement officers of this state to take into custody and return the person named in the arrest warrant to the custody of the Department of Community Correction or the Department of Correction; and

(ii) All law enforcement officers of this state, any other state, or the federal government to take into custody and detain the person in a suitable detention facility while awaiting further transfer to the Department of Community Correction or the Department of Correction.

SECTION 887. Arkansas Code § 12-27-126(d), concerning the appointment of the Director of the Department of Community Correction, is amended to read as follows:

(d) Subject to the rules, ~~regulations,~~ policies, and procedures prescribed by the Board of Corrections, the director shall:

(1) Administer the Department of Community Correction and supervise the administration of all facilities, programs, and services under the Department of Community Correction's jurisdiction;

(2) Employ such personnel as are required in the administration of the provisions of this act, provided that the employment of personnel shall be in accordance with the applicable laws and personnel ~~regulations~~ rules of the state;

(3) Institute programs for the training and development of personnel within the Department of Community Correction and have authority to suspend, discharge, or otherwise discipline personnel in accordance with policies prescribed by the Board of Corrections;

(4) Make an annual report to the Board of Corrections, which will be forwarded to the Governor and the General Assembly, on the work of the Department of Community Correction, including statistics and other data, income derived from fee collection, a summary of expenditures of the Department of Community Correction, and progress reports regarding internal issues such as offender success, programming development, bed space utilization, and future needs; and

(5) Cooperate with the Department of Correction, the Parole Board, the Arkansas Sentencing Commission, judicial districts, counties, and municipalities to provide the guidance and services required to ensure a full range of correctional and community correction options for the state as a whole.

SECTION 888. Arkansas Code § 12-27-135(a)(1), concerning facility assignments within the Department of Correction, is amended to read as

follows:

(a)(1) In accordance with the rules~~,~~ and procedures~~, and regulations~~ promulgated by the Board of Corrections, the Director of the Department of Correction shall assign a newly committed inmate to an appropriate facility of the Department of Correction.

SECTION 889. Arkansas Code § 12-27-139 is amended to read as follows:

12-27-139. Notice to police when furloughed inmate will be in jurisdiction.

(a) The Board of Corrections may promulgate rules ~~and regulations~~ to allow inmates to participate in a meritorious furlough program which include a requirement that the county sheriff and the chief of police of the city or town, if applicable, shall be notified if an inmate will be present within their jurisdiction while on furlough.

(b) The rules ~~and regulations~~ referred to in subsection (a) of this section shall not require the county sheriff or the chief of police of the city or town, if applicable, of the jurisdiction in which an inmate will be present on furlough to approve the granting of the furlough.

(c)(1) All Arkansas-certified law enforcement officers are authorized to escort inmates on emergency furlough.

(2) The board may promulgate rules ~~and regulations~~ necessary to implement subdivision (c)(1) of this section.

SECTION 890. Arkansas Code § 12-28-603(a)(2) and (3), concerning the declaration of emergency when the prison population exceeds certain levels, are amended to read as follows:

(2) In making any emergency request based on exceeding the ninety-eight-percent capacity, the board shall certify the rated capacity and current population of the prison system and shall further certify that all authorized actions consistent with applicable state laws and ~~regulations~~ rules have been exhausted in an attempt to reduce the prison population to ninety-eight percent (98%) of the rated capacity.

(3) In making any emergency request based on a county jail backlog exceeding five hundred (500) inmates, the board shall certify the list of persons on the county jail backlog and shall further certify that all authorized actions consistent with applicable state laws and ~~regulations~~

rules have been exhausted in an attempt to reduce the county jail backlog to five hundred (500) inmates.

SECTION 891. Arkansas Code § 12-29-101(d), concerning custody classifications and treatment programs formulated by the Director of the Department of Correction, is amended to read as follows:

(d)(1) With the approval of the Board of Corrections, the director shall establish rules ~~and regulations~~ for the assignment of inmates to the various programs, services, and work activities of the department.

(2) Inmates in the institutions of the department may participate in and benefit from the vocational, educational, and rehabilitation services of their respective institutions solely within the rules ~~and regulations~~ of the department as determined by the director, subject to appeal and review by the Board of Corrections or a designated review board in accordance with procedures that shall be established by the Board of Corrections.

SECTION 892. Arkansas Code § 12-29-103(a), concerning the prescription of disciplinary rules by the Director of the Department of Correction, is amended to read as follows:

(a) The Director of the Department of Correction or the Director of the Department of Community Correction shall prescribe, with the approval of the Board of Corrections, rules ~~and regulations~~ for the maintenance of good order and discipline in the facilities and institutions of the Department of Correction or the Department of Community Correction, respectively, including proceedings for dealing with violations.

SECTION 893. Arkansas Code § 12-29-107 is amended to read as follows:

12-29-107. Inmate welfare funds.

Amounts held as inmate welfare funds or received as inmate welfare funds through contributions, profit from sale of products to inmates, or otherwise, shall be held as a special fund to be administered and used by the Director of the Department of Correction for the general benefit of the inmates under rules ~~and regulations~~ to be established by the Board of Corrections.

SECTION 894. Arkansas Code § 12-29-108(a), concerning confiscation of cash in the possession of inmates of state correctional facilities, is amended to read as follows:

(a) The Board of Corrections is authorized to promulgate rules ~~and regulations~~ concerning the maximum amount of cash that inmates of the Department of Correction may have in their possession.

SECTION 895. Arkansas Code § 12-29-108(c)(1) and (2), concerning confiscation of cash in the possession of inmates of state correctional facilities, are amended to read as follows:

(c)(1) An inmate of the department shall forfeit any cash found on his or her person or in his or her possession in excess of the amount prescribed by rules ~~or regulations~~ of the board.

(2) After a hearing, the Director of the Department of Correction shall confiscate such cash and deposit the amount held in violation of the rules ~~and regulations~~ into a department welfare fund, to be used for the benefit of inmates of the department pursuant to rules ~~and regulations~~ of the board.

SECTION 896. Arkansas Code § 12-29-201(c), concerning meritorious good time received by inmates in state correctional facilities, is amended to read as follows:

(c) Meritorious good time shall be allocated under rules ~~and regulations~~ promulgated by the Board of Corrections and administered by the respective Department of Correction or Department of Community Correction staff subject to the provisions of this subchapter for good discipline, behavior, work practices, job responsibilities, and involvement in rehabilitative activities while in the custody or under the supervision of the Department of Correction or the Department of Community Correction.

SECTION 897. Arkansas Code § 12-29-202(a)(1) and (2), concerning the establishment of a classification committee approved by the Board of Corrections, are amended to read as follows:

(a)(1) There is established a classification committee to be defined by administrative ~~regulations~~ <u>rules</u> approved by the Board of Corrections.

(2) Members of the committee shall be selected by wardens or

supervisors of the various units, facilities, or centers of the Department of Correction and Department of Community Correction per board ~~regulation~~ rule governing their selection.

SECTION 898. Arkansas Code § 12-29-202(c), concerning the establishment of a classification committee approved by the Board of Corrections, is amended to read as follows:

(c) An inmate may be reclassified as often as the committee deems necessary or in accordance with current board ~~regulations~~ rules to carry out the purpose of this subchapter and to maintain good discipline, order, and efficiency at the units, facilities, or centers.

SECTION 899. Arkansas Code § 12-29-205(a)(1), concerning good time earned pending transfer to the Department of Correction or the Department of Community Correction, is amended to read as follows:

(a)(1) Any person who is sentenced by a circuit court to the Department of Correction or the Department of Community Correction and is awaiting transfer to the Department of Correction or Department of Community Correction may earn meritorious good time in accordance with law and ~~regulations~~ rules as adopted by the Board of Corrections.

SECTION 900. Arkansas Code § 12-29-205(c), concerning good time earned pending transfer to the Department of Correction or the Department of Community Correction, is amended to read as follows:

(c) This meritorious good time award is subject to all rules ~~and regulations~~ regarding meritorious good time including, but not limited to, those ~~regulations~~ rules for forfeiture of meritorious good time as adopted by the board.

SECTION 901. Arkansas Code § 12-29-302 is amended to read as follows:

12-29-302. Rules ~~and regulations~~.

The Board of Corrections and the State Board of Education are directed, authorized, and empowered to adopt rules ~~and regulations~~ as are necessary to implement the provisions of this subchapter.

SECTION 902. Arkansas Code § 12-29-406(c), concerning the treatment

for deviant sexual behavior by the Department of Correction, is amended to read as follows:

(c) The section shall adopt, promulgate, and enforce such rules, ~~regulations,~~ policies, and standards as may be necessary to carry out the intent and purposes of this section.

SECTION 903. Arkansas Code § 12-30-101(g), concerning bartering products of state correctional institutions, is amended to read as follows:

(g) The board may make reasonable rules ~~and regulations~~ governing the Department of Correction in the administration of contracts, compacts, or agreements made under the provisions of this section.

SECTION 904. Arkansas Code § 12-30-102(e), concerning buying and selling products of state correctional institutions, is amended to read as follows:

(e) The board may make reasonable rules ~~and regulations~~ governing the Department of Correction in the administration of contracts, compacts, or agreements made under the provisions of this section.

SECTION 905. Arkansas Code § 12-30-103(b), concerning establishment of a workcraft program by the Department of Correction and the Department of Community Correction, is amended to read as follows:

(b) The Board of Corrections is authorized to establish rules ~~and regulations~~ for operating the workcraft program, which shall include, but not be limited to, the following:

(1) Acquisition of necessary machinery, materials, and equipment;

(2) Establishment of procedures for public sale of inmate-produced craft;

(3) Inmate eligibility for participation in the workcraft program; and

(4) Establishment of a workcraft program revolving fund.

SECTION 906. Arkansas Code § 12-30-104(b)(2), concerning the purchase of workcraft program items produced in the Department of Correction and the Department of Community Correction workcraft programs, is amended to read as

follows:

(2) A percentage of sale proceeds, as determined by ~~rules and regulations~~ rule, will accrue to the individual product-creating inmate's account and the remainder to a workcraft program revolving fund.

SECTION 907. Arkansas Code § 12-30-105 is amended to read as follows:

12-30-105. Marketing contracts.

(a)(1) The Department of Correction may enter into marketing contracts with dealers, retailers, distributors, and manufacturer representatives permitting them to market and sell all products and services produced by the department industry program in accordance with existing laws and state purchasing ~~regulations~~ rules.

(2) The Industry Division of the department will be responsible for all billing of purchased products and services to ensure that only customers authorized by law are making said purchases.

(b) Reimbursement to companies on contract for marketing of said products and services will be based on ~~regulations~~ rules established by the Board of Corrections.

SECTION 908. Arkansas Code § 12-30-211 is amended to read as follows:

12-30-211. Rules ~~and regulations~~.

The Board of Corrections shall have power and authority to prepare and promulgate rules ~~and regulations~~ which are necessary to give effect to the provisions of this subchapter with respect to matters of administration and procedure respecting them.

SECTION 909. Arkansas Code § 12-30-301(b), concerning farming and livestock activities on state correctional facilities, is amended to read as follows:

(b) The Director of the Department of Correction, with the approval of the Board of Corrections, shall promulgate necessary rules ~~and regulations~~ for the operation of the farming and livestock activities of the various institutions of the department, the employment of personnel, the assignment of inmate labor, and other activities as may be reasonably necessary to accomplish the purposes as provided in this section.

SECTION 910. Arkansas Code § 12-30-306(a), concerning purchases, expenditures, sales, and compliance with state purchasing laws by the Department of Correction, is amended to read as follows:

(a) All purchases for or in behalf of the Department of Correction and its various institutions shall be in strict compliance with the state purchasing laws and applicable rules ~~and regulations~~ promulgated thereunder.

SECTION 911. Arkansas Code § 12-30-401 is amended to read as follows:

12-30-401. Work and rehabilitative programs — Work-release programs.

(a) All inmates committed to the Department of Correction for institutional care shall be required to participate in the various work programs to which assigned and may be afforded vocational training and rehabilitative opportunities in accordance with rules~~, regulations,~~ and procedures therefor as promulgated by the Director of the Department of Correction with the approval of the Board of Corrections.

(b) The department may institute "work-release" programs under which the inmates selected to participate in the programs may be gainfully employed or attend school outside of the units maintained by the department, under rules ~~and regulations~~ promulgated by the director with the approval of the board.

SECTION 912. Arkansas Code § 12-30-403 is amended to read as follows:

12-30-403. Rules ~~and regulations~~ generally.

The Board of Corrections and the Director of the Department of Correction will govern the administration of work-release programs with the promulgation of rules~~, regulations,~~ and procedures subject to the continuing review by the Governor, who shall have the right to revise and rescind any such rules~~, regulations,~~ and procedures.

SECTION 913. Arkansas Code § 12-30-406(c), concerning work-release program allocation of inmates' earnings by the Department of Correction, is amended to read as follows:

(c) The department shall promulgate rules ~~and regulations~~ governing the possession of or use of money by inmates and may prohibit the possession of money by inmates and may establish a system for the custody of all funds belonging to inmates, for the balance of such fund period.

SECTION 914. Arkansas Code § 12-41-806(c), concerning matching grant and loan fund requirements under the Juvenile Detention Facilities Cooperative Development and Operations Act, is amended to read as follows:

(c) Any award of funds under this section shall be subject to review and approval by the Division of Youth Services of the Department of Human Services, which shall promulgate rules ~~and regulations~~ to effectuate the provisions of this section.

SECTION 915. Arkansas Code § 12-41-807(c), concerning the operating fund account under the Juvenile Detention Facilities Cooperative Development and Operations Act, is amended to read as follows:

(c) The Division of Youth Services of the Department of Human Services shall promulgate rules ~~and regulations~~ to effectuate the provisions of this section.

SECTION 916. Arkansas Code § 12-60-102(9), concerning the definition of "grade" under the laws regulating military affairs, is amended to read as follows:

(9) “Grade” means a step or degree in a graduated scale of office or military rank that is established and designated as a grade by law or ~~regulation~~ rule;

SECTION 917. Arkansas Code § 12-61-103(a), concerning the Governor’s powers and duties regarding military affairs, is amended to read as follows:

(a)(1) The Governor is authorized to make such rules ~~and regulations~~ governing the government, organization, discipline, and training of the militia as he or she may deem expedient.

(2) Such rules ~~and regulations~~ shall conform to the provisions of this code and, as nearly as practicable, to those governing the armed forces of the United States.

(3) When promulgated, the rules ~~and regulations~~ shall have the same force and effect as the provisions of this code.

(4) Such rules ~~and regulations~~ shall not be repealed, altered, amended, or added to, except with the approval of the Governor.

(5) The rules ~~and regulations~~ in force at the time of the

passage of this code shall remain in force until new rules ~~and regulations~~ are approved and promulgated.

SECTION 918. Arkansas Code § 12-61-103(c), concerning the Governor's powers and duties regarding military affairs, is amended to read as follows:

(c) Whenever he or she shall deem it necessary, the Governor may direct the members of the unorganized militia to present themselves for and submit to registration at such time and place and in such manner as may be prescribed by ~~regulations~~ rule.

SECTION 919. Arkansas Code § 12-61-104 is amended to read as follows:

12-61-104. Custom and usage of the armed forces of the United States.

All matters relating to the organization, discipline, and government of the organized militia, not otherwise provided for in this code or in ~~regulations~~ rules issued pursuant thereto, shall be as prescribed by the customs and usages of the appropriate force or forces of the United States.

SECTION 920. Arkansas Code § 12-61-106(b), concerning the Adjunct General's powers and duties regarding military affairs, is amended to read as follows:

(b) He or she shall perform the duties prescribed for him or her in this code and in the ~~regulations~~ rules issued thereunder and in the statutes of the United States.

SECTION 921. Arkansas Code § 12-61-106(o), concerning the Adjunct General's powers and duties regarding military affairs, is amended to read as follows:

(o) For the purpose of effectively carrying out the terms of this code, the Adjutant General shall have the power to prescribe such rules ~~and regulations~~ as he or she may from time to time deem necessary.

SECTION 922. Arkansas Code § 12-61-116(c), concerning state militia and excuse from duty, is amended to read as follows:

(c) However, the provisions of this section shall not curtail the rights of commanding officers to grant leaves of absence and furloughs as provided by ~~regulations~~ rules unless they are specifically modified by orders

from superior authority.

SECTION 923. Arkansas Code § 12-61-117(b), concerning state militia and the draft of the unorganized militia, failure to appear, and penalty, is amended to read as follows:

(b) Whenever it shall be necessary in such a case, the Governor may direct the members of the unorganized militia or such of them as may be necessary to be drafted, under such ~~regulations~~ rules as he or she may prescribe, into the active service of the state to serve as directed by him or her.

SECTION 924. Arkansas Code § 12-61-121(a)(3), concerning the state militia and awards and medals, is amended to read as follows:

(3) The State Military Department is authorized to promulgate necessary rules ~~and regulations~~ to establish the criteria under which any medal, ribbon, or decoration may be awarded.

SECTION 925. Arkansas Code § 12-61-121(b), concerning the state militia and awards and medals, is amended to read as follows:

(b) Whenever it shall appear to the satisfaction of the Adjutant General that any service medal duly issued by the State of Arkansas, in accordance with the military rules ~~and regulations~~, to a member of the organized militia, has been lost or stolen, he or she may, in his or her discretion, and upon such terms as he or she may impose upon written application of the person originally entitled to such medal, issue a duplicate thereof.

SECTION 926. Arkansas Code § 12-61-123(c), concerning the establishment of a Bureau of War Records, is amended to read as follows:

(c) The Adjutant General may adopt such reasonable and necessary ~~regulations~~ rules as may be necessary to accomplish this purpose.

SECTION 927. Arkansas Code § 12-61-124(c), concerning civilian juvenile student training programs, is amended to read as follows:

(c) The Adjutant General may promulgate and issue such rules~~,~~ ~~regulations,~~ and other guidelines as may be necessary and proper to carry out

the purposes and provisions of this section.

SECTION 928. Arkansas Code § 12-61-205(a) and (b), concerning discipline, organization, and training of the National Guard, are amended to read as follows:

(a) The system of discipline and training of the National Guard shall conform generally to that of the armed forces of the United States as it is now or may hereafter be prescribed by the President and conform to the provisions of the laws of the United States, except as otherwise provided in this code or by the ~~regulations~~ rules issued by the Governor.

(b) The forces of the Army National Guard and Air National Guard shall be organized, equipped, armed, disciplined, governed, administered, and trained as prescribed by the laws of the United States and by this code and the regulations and rules issued thereunder.

SECTION 929. Arkansas Code § 12-61-206(a), concerning assemblies, annual training, and other duties of the National Guard, is amended to read as follows:

(a) Members and units of the National Guard shall assemble for drill or other equivalent training, instruction, or duties during each year and shall participate in field training, encampments, maneuvers, schools, conferences, or other similar duties each year as may be prescribed by the laws of the United States and of the state and the regulations and rules issued thereunder. However, no assembly of any such unit of the organized militia shall be ordered in time of peace for any day during which a general election shall be held, except in case of riot, invasion, or insurrection or imminent danger thereof.

SECTION 930. Arkansas Code § 12-61-302 is amended to read as follows:

12-61-302. Organization and government.

(a) The Arkansas State Defense Force shall be organized and governed by the terms of this code and by such rules ~~and regulations~~ as may be promulgated from time to time.

(b) Except when otherwise provided, all provisions of this code and ~~regulations~~ rules in respect to the Arkansas National Guard shall apply to the Arkansas State Defense Force.

SECTION 931. Arkansas Code § 12-61-305 is amended to read as follows:

12-61-305. Assignments.

All officers and enlisted personnel of the organized militia not otherwise assigned may be assigned to the Arkansas State Defense Force for such time and in such manner as prescribed by ~~regulations~~ rules promulgated by the Governor as he or she deems necessary.

SECTION 932. Arkansas Code § 12-62-102(a), concerning prerequisites to appointment and disqualifications under the law governing military personnel, is amended to read as follows:

(a) No person shall be appointed or promoted as a commissioned officer in the National Guard unless he or she shall have passed such examination as to his or her physical, moral, and professional qualifications as may be prescribed by the United States and by this code and the regulations and rules issued thereunder.

SECTION 933. Arkansas Code § 12-62-103 is amended to read as follows:

12-62-103. Assignment and transfer.

Commissioned officers and warrant officers may be assigned, reassigned, transferred, or detailed to and from units within the National Guard as prescribed by the laws of the United States and this code and the regulations and rules issued thereunder.

SECTION 934. Arkansas Code § 12-62-104(b), concerning removal of any officer from the Arkansas National Guard by the Adjutant General of the State of Arkansas, is amended to read as follows:

(b) The Adjutant General may adopt reasonable and necessary ~~regulations~~ rules as may be necessary to accomplish this purpose.

SECTION 935. Arkansas Code § 12-62-301 is amended to read as follows:

12-62-301. Pay generally.

Each officer, warrant officer, and enlisted person ordered for duty by the Governor or under his or her authority by the commanding general of the National Guard shall be paid by the state for every day actually on duty the same basic pay as officers and enlisted personnel of the armed forces of the

United States of equal grade, rating, and length of service and such allowances as may be authorized in ~~regulations~~ rules issued in accordance with the provisions of this code or at a flat daily rate of forty dollars ($40.00) for each day of twenty-four (24) hours or less actually spent on active duty, whichever is greater. However, officers and enlisted personnel shall not receive from the state the pay and allowances provided by this section when ordered on duty thereunder in compliance with instructions from the federal government for services for which they are to receive pay and allowances from federal funds.

SECTION 936. Arkansas Code § 12-62-414(d), concerning extensions for renewing certain documents by a member of the National Guard, is amended to read as follows:

(d)(1) Each department, division, office, board, commission, and institution of this state, including state-supported institutions of higher education, shall promulgate ~~regulations~~ rules to establish the length of the extension.

(2) The extension established by ~~regulation~~ rule shall be within the limits provided by this section.

SECTION 937. Arkansas Code § 12-62-502(3), concerning the definition of "high personnel readiness units" under the Arkansas National Guard Student Loan Repayment Program of 1995, is amended to read as follows:

(3) "High personnel readiness units" means those units with special manpower needs as designated by the Adjutant General pursuant to ~~regulation~~ rule, based upon:

(A) The mobilization priority of the unit;

(B) The difficulty of attracting, qualifying, and enlisting new members;

(C) The ability to maintain acceptable strength levels within the unit; and

(D) Such other factors as the Adjutant General may deem appropriate; and

SECTION 938. Arkansas Code § 12-62-504(c)(2), concerning the application process under the Arkansas National Guard Student Loan Repayment

Program of 1995, is amended to read as follows:

(2) Payment shall be made directly to the approved institution, on behalf of and for the benefit of the qualified applicant, in a manner as may be established by ~~regulation~~ rule of the Adjutant General.

SECTION 939. Arkansas Code § 12-62-505 is amended to read as follows:

12-62-505. ~~Regulations~~ Rules.

(a)(1) The Adjutant General shall establish, implement, and enforce such administrative rules ~~and regulations~~ as are necessary for implementation of the Arkansas National Guard Student Loan Repayment Program.

(2) The ~~regulations~~ rules shall include criteria for selection from among applicants in those circumstances in which the number of applicants exceeds appropriated funding for the calendar year.

(b) In establishing ~~regulations~~ rules relating to academic qualification, certification, recertification, and payment, the Adjutant General shall obtain the advice of the Department of Higher Education.

(c) To the extent possible, the department shall include the program among other existing financial aid programs and shall monitor the program and enforce policies, as necessary, to conform with department ~~regulations~~ rules.

SECTION 940. Arkansas Code § 12-63-207 is amended to read as follows:

12-63-207. Motor vehicle ~~regulations~~ rules generally.

(a) The Adjutant General is authorized and empowered to promulgate rules ~~and regulations~~, and to amend or change them from time to time as he or she shall deem necessary, providing for the operation and parking of motor vehicles upon the grounds, streets, drives, and alleys on a military reservation, including, but not limited to, the following:

(1) Limiting the rate of speed;

(2) Assigning parking spaces and designating parking areas and their use or uses;

(3) Prohibiting parking as he or she deems necessary;

(4) Removing motor vehicles parked in violation of the rules ~~and regulations~~ at the expense of the violator who shall pay the expense before the motor vehicle is released;

(5) Instituting a system of motor vehicle registration for the identification and regulation of motor vehicles regularly using the military

reservation premises; and

(6) Instituting a process for administrative adjudication for the violation of a military reservation rule ~~or regulation~~ promulgated under this section on a military reservation, which shall include the determination of:

(A) A reasonable civil penalty;

(B) The enforcement process for the collection of the civil penalty; and

(C) A reasonable sanction for noncompliance.

(b) Rules ~~and regulations~~, together with any amendments thereto, which may from time to time be adopted by the Adjutant General for the regulation of operation and parking of motor vehicles shall be filed with the Secretary of State and shall be printed with copies thereof available at convenient locations at the military reservation or at any separate portion thereof.

(c) Speed limits shall be posted at reasonable intervals, and traffic and parking directions and prohibitions shall be indicated by signs.

(d) From and after the promulgation of the rules ~~and regulations~~ provided for in this section, it shall be unlawful for any person to operate or to park a motor vehicle in violation thereof.

SECTION 941. Arkansas Code § 12-63-208(a)(1), concerning violations of motor vehicle rules, is amended to read as follows:

(a)(1) Persons violating rules ~~and regulations~~ promulgated under § 12-63-207 shall, at the option of the police officer, be charged under the military reservation's system of charges or summoned to appear before any court of competent jurisdiction to be dealt with according to law.

SECTION 942. Arkansas Code § 12-63-302 is amended to read as follows:

12-63-302. ~~Regulations~~ Rules for use.

(a) The Adjutant General shall issue rules ~~and regulations~~ governing the use of armories, landing fields, and hangars acquired under the provisions of this code.

(b) The Adjutant General is authorized to appoint one (1) or more persons at the location of each armory, landing field, or hangar, who shall have charge of such property and govern the use of it in accordance with the rules ~~and regulations~~ issued by the Adjutant General.

SECTION 943. Arkansas Code § 12-63-304(a), concerning disposition of proceeds from rental of currently used readiness centers, is amended to read as follows:

(a) The Adjutant General, acting for and on behalf of the Arkansas National Guard, shall issue rules ~~and regulations~~ concerning the rental and use of a National Guard readiness center or its facilities or portions thereof to any person, organization, firm, corporation, or governmental agency for any legal use for short periods of time, provided the renting of the readiness center or its facilities or portions thereof does not interfere with its use by the National Guard for training or other military purposes.

SECTION 944. Arkansas Code § 12-63-304(d)(3), concerning disposition of proceeds from rental of currently used readiness centers, is amended to read as follows:

(3) The Adjutant General shall publish rules ~~and regulations~~ governing the expenditure of such rental funds to ensure that the state expenses are recovered from the rental funds and that rental funds are used for Arkansas National Guard morale, welfare, and recreation events.

SECTION 945. Arkansas Code § 12-63-405(a)(4), concerning the Adjutant General's powers and duties over the operation of canteens and exchanges, is amended to read as follows:

(4) To prescribe ~~regulations~~ rules governing the operation of the canteens and exchanges on military reservations and military properties.

SECTION 946. Arkansas Code § 12-63-501(b)(2), concerning the operation of a military service club at Ebbing Air National Guard Field, is amended to read as follows:

(2) The laws of the state and the ~~regulations~~ rules of the Alcoholic Beverage Control Division shall apply to the operation of the military service club.

SECTION 947. Arkansas Code § 12-64-105(a)(9), concerning the administration of oaths and affidavits for purposes of military administration, is amended to read as follows:

(9) All other persons designated by ~~regulations~~ rules of the Governor.

SECTION 948. Arkansas Code § 12-64-107(b), concerning the explanation of code sections to every enlisted member, is amended to read as follows:

(b) A complete text of this code and of the ~~regulations~~ rules prescribed by the Governor thereunder shall be made available to any member of the organized militia, upon his or her request, for his or her personal examination.

SECTION 949. Arkansas Code § 12-64-201(b), concerning apprehension under military justice, is amended to read as follows:

(b) Any person authorized by this code or by ~~regulations~~ rules issued pursuant thereto to apprehend persons subject to this code, any marshal of a court-martial appointed pursuant to the provisions of this code, and any peace officer authorized to do so by law may do so upon reasonable belief that an offense has been committed and that the person apprehended committed it.

SECTION 950. Arkansas Code § 12-64-203 is amended to read as follows:

12-64-203. Restraint.

Subject to the orders or ~~regulations~~ rules of the Adjutant General, commanders of the organized militia may restrain persons under their jurisdiction to the same extent as military commanders in service to the United States.

SECTION 951. Arkansas Code § 12-64-207(a), concerning delivery of offenders to civil authorities under military justice, is amended to read as follows:

(a) Under such ~~regulations~~ rules as may be prescribed under this code, a person on active militia duty who is accused of an offense against civil authority may be delivered, upon request, to the civil authority for trial.

SECTION 952. Arkansas Code § 12-64-301 is amended to read as follows:

12-64-301. Nonjudicial punishment generally.

(a) Under such ~~regulations~~ rules as the Governor may prescribe, a company grade commanding officer may, in addition to or in lieu of admonition

or reprimand, impose not more than two (2) of the following disciplinary punishments for minor offenses without the intervention of a court-martial:

(1) Upon officers of his or her command:

(A) Withholding of privileges for not more than two (2) consecutive weeks;

(B) Restriction to certain specified limits, with or without suspension from duty, for not more than two (2) consecutive weeks; or

(C)(i) A fine or a forfeiture in an amount that does not exceed ten (10) days of the officer's base pay.

(ii) The payment or collection of the fine or the withholding of the forfeiture under this subdivision (a)(1)(C) shall not exceed an amount equal to five (5) days of base pay during any calendar month; or

(2) Upon other military personnel of his or her command:

(A) Withholding of privileges for not more than two (2) consecutive weeks;

(B) Restriction to certain specified limits, with or without suspension from duty, for not more than two (2) consecutive weeks;

(C) Extra duties for not more than two (2) consecutive weeks and not to exceed two (2) hours per day, holidays included;

(D) Reduction to next inferior grade if the grade from which demoted was established by the command or an equivalent or lower command;

(E) If imposed upon a person attached to or embarked in a vessel, confinement for not more than seven (7) consecutive days; or

(F)(i) A fine or a forfeiture in an amount that does not exceed ten (10) days of the soldier's or airman's base pay.

(ii) The payment or collection of the fine or the withholding of the forfeiture under this subdivision (a)(2)(F) shall not exceed an amount equal to five (5) days of base pay during any calendar month.

(b) Under such ~~regulations~~ rules as the Governor may prescribe, a field grade commanding officer may, in addition to or in lieu of admonition or reprimand, impose not more than two (2) of the following disciplinary punishments for a minor offense without the intervention of a court-martial:

(1) Upon officers of his or her command:

(A) Withholding of privileges for not more than two (2) consecutive weeks;

(B) Restriction to certain specified limits, with or without suspension from duty, for not more than two (2) consecutive weeks; or

(C)(i) A fine or a forfeiture in an amount that does not exceed thirty (30) days of the officer's base pay.

(ii) The payment or collection of the fine or the withholding of the forfeiture under this subdivision (b)(1)(C) shall not exceed an amount equal to fifteen (15) days of base pay during any calendar month; or

(2) Upon other military personnel of his or her command:

(A) Withholding of privileges for not more than two (2) consecutive weeks;

(B) Restriction to certain specified limits, with or without suspension from duty, for not more than two (2) consecutive weeks;

(C) Extra duties for not more than two (2) consecutive weeks and not to exceed two (2) hours per day, holidays included;

(D) Reduction to next inferior grade if the grade from which demoted was established by the command or an equivalent or lower command;

(E) If imposed upon a person attached to or embarked in a vessel, confinement for not more than seven (7) consecutive days; or

(F)(i) A fine or a forfeiture in an amount that does not exceed thirty (30) days of the soldier's or airman's base pay.

(ii) The payment or collection of the fine or the withholding of the forfeiture under this subdivision (b)(2)(F) shall not exceed an amount equal to fifteen (15) days of base pay during any calendar month.

(c) However, except in the case where confinement has not been excluded as a punishment option, a member of the organized militia may not demand trial by court-martial in lieu of nonjudicial punishment.

(d) The Governor or commanding general may, by order or ~~regulation~~ rule, place limitations on the powers granted by this subchapter with respect to the kind and amount of punishment authorized and the categories of commanding officers authorized to exercise those powers.

(e) An officer in charge of a detached unit or section may, for minor

offenses, impose on officers, soldiers, or airmen assigned to the unit of which he or she is in charge the punishment authorized to be imposed by commanding officers as the Governor or commanding general may by order or ~~regulation~~ rule specifically prescribe, as provided in subsections (a), (b), (c), and (d) of this section.

(f) Whenever nonjudicial punishment of forfeiture of an amount of base pay is imposed under this section, the forfeiture may apply to the base pay only and before any deduction, withholding, assignment, or forfeiture then due or becoming due on or after the date that punishment is imposed and to any pay accrued before that date.

SECTION 953. Arkansas Code § 12-64-402(b), concerning the jurisdiction of each force of the organized militia for court-martials, is amended to read as follows:

(b) The exercise of jurisdiction by one force over personnel of another force shall be in accordance with ~~regulations~~ rules prescribed by the Governor.

SECTION 954. Arkansas Code § 12-64-411 is amended to read as follows:

12-64-411. Court reporters — Interpreters.

(a) Under such ~~regulations~~ rules as the Governor may prescribe, the convening authority of a general or special court-martial shall detail or employ qualified court reporters who shall record the proceedings of and testimony taken before that court.

(b) Under like rules or regulations, the convening authority of a military court may detail or employ interpreters or other professional experts who shall interpret for and assist the court.

SECTION 955. Arkansas Code § 12-64-510(d) and (e), concerning the duties of trial and defense counsel in a court-martial, are amended to read as follows:

(d)(1) An assistant trial counsel of a general court-martial may, under the direction of the trial counsel or when he or she is qualified to be a trial counsel as required by this code, perform any duty imposed by law, rule, regulation, or the custom of the service upon the trial counsel of the court.

(2) An assistant trial counsel of a special court-martial may perform any duty of the trial counsel.

(e) An assistant defense counsel of a general or special court-martial may, under the direction of the defense counsel or when he or she is qualified to be the defense counsel as required by this code, perform any duty imposed by law, rule, regulation, or the custom of the service upon counsel for the accused.

SECTION 956. Arkansas Code § 12-64-516(a), concerning obtaining witnesses and other evidence in a court-martial, is amended to read as follows:

(a) The trial counsel, the defense counsel, and the court-martial shall have equal opportunity to obtain witnesses and other evidence in accordance with such ~~regulations~~ rules as the Governor may prescribe.

SECTION 957. Arkansas Code § 12-64-518(c), concerning issuance of process and subpoenas by military courts, is amended to read as follows:

(c) Such process and mandates may be issued by summary courts-martial or the president or military judge of other military courts and may be directed to and may be executed by the marshals of the military court or any peace officer and shall be in such form as may be prescribed by ~~regulations~~ rules issued under this code.

SECTION 958. Arkansas Code § 12-64-604(b)(1), concerning effective date of court-martial sentences, is amended to read as follows:

(b)(1) ~~Regulations~~ Rules prescribed by the Governor may provide that sentences of confinement may not be effective or executed until approved by designated officers.

SECTION 959. Arkansas Code § 12-64-605(a), concerning execution or suspension of a court-martial sentence, is amended to read as follows:

(a) Except as otherwise provided, a court-martial sentence, unless suspended, may be ordered executed by the convening authority when approved by the convening authority in accordance with ~~regulations~~ rules prescribed by the Governor.

SECTION 960. Arkansas Code § 12-64-713(a), concerning the effect of a new trial on a court-martial sentence, is amended to read as follows:

(a) Under such ~~regulations~~ rules as the Governor may prescribe, all rights, privileges, and property affected by an executed part of a court-martial sentence which has been set aside or disapproved, except an executed dismissal or discharge, shall be restored unless a new trial or rehearing is ordered and such executed part is included in a sentence imposed upon the new trial or rehearing.

SECTION 961. Arkansas Code § 12-64-808(b), concerning court-martial for fraudulent or unlawful enlistment, appointment, or separation, is amended to read as follows:

(b) Any person subject to this code who effects an enlistment or appointment in or a separation from the organized militia of any person who is known to him or her to be ineligible for that enlistment, appointment, or separation because it is prohibited by law, ~~regulation~~ rule, or order shall be punished as a court-martial may direct.

SECTION 962. Arkansas Code § 12-64-817 is amended to read as follows:

12-64-817. Failure to obey order or ~~regulation~~ rule.

Any person subject to this code shall be punished as a court-martial may direct if he or she:

(1)(A) Violates or fails to obey any lawful order or ~~regulation~~ rule. A lawful order or ~~regulation~~ rule is a written, electronic, nonverbal or oral communication by a member of the armed forces acting within the scope of official military duties regarding instruction, decision, rule, judgment, directive, procedure, statement or command, and which primarily affects the action, organization, training, good order, discipline, property, welfare, administration, operation, and procedure of the armed forces.

(B) Lawful orders and ~~regulations~~ rules shall not be subject to the requirements of the Arkansas Administrative Procedure Act, § 25-15-201 et seq.;

(2) Having knowledge of any other lawful order issued by a member of the organized militia, which it is his or her duty to obey, fails to obey the order; or

(3) Is derelict in the performance of his or her duties.

SECTION 963. Arkansas Code § 12-64-829 is amended to read as follows:

12-64-829. Misconduct as a prisoner.

Any person subject to this code shall be punished as a court-martial may direct if he or she, while in the hands of the enemy in time of war:

(1) For the purpose of securing favorable treatment by his or her captors, acts without proper authority in a manner contrary to law, custom, rule, or regulation, to the detriment of other of whatever nationality held by the enemy as civilian or military prisoners; or

(2) While in a position of authority over such persons, maltreats them without justifiable cause.

SECTION 964. Arkansas Code § 12-64-830 is amended to read as follows:

12-64-830. False official statements.

Any person subject to this code who, with intent to deceive, signs any false record, return, regulation, rule, order, or other official document, knowing it to be false, or makes any other false official statement knowing it to be false, shall be punished as a court-martial may direct.

SECTION 965. Arkansas Code § 12-75-106 is amended to read as follows:

12-75-106. Enforcement.

(a) Each state office of emergency management and local office of emergency management and the officers of each state office of emergency management and local office of emergency management shall execute and enforce such orders~~,~~ and rules~~, and regulations~~ as may be made by the Governor under authority of this chapter.

(b) Each state office of emergency management and local office of emergency management shall make available for inspection at its office all orders~~,~~ and rules~~, and regulations~~ made by the Governor or made under his or her authority.

SECTION 966. Arkansas Code § 12-75-111(a)(11), concerning the powers and duties of the Arkansas Department of Emergency Management, is amended to read as follows:

(11) Prepare for issuance by the Governor of executive orders,

proclamations, and ~~regulations~~ rules as necessary or appropriate in coping with disasters;

SECTION 967. Arkansas Code § 12-75-114(b)(1), concerning the disaster emergency responsibilities of the Governor, is amended to read as follows:

(b)(1) Under this chapter, the Governor may issue executive orders, proclamations, and ~~regulations~~ rules and amend or rescind them.

SECTION 968. Arkansas Code § 12-75-114(d)(2), concerning the disaster emergency responsibilities of the Governor, is amended to read as follows:

(2) To the greatest extent practicable, the Governor shall delegate or assign operational control by prior arrangement embodied in appropriate executive orders or ~~regulations~~ rules, but nothing in this section restricts the Governor's authority to do so by orders issued at the time of the disaster emergency.

SECTION 969. Arkansas Code § 12-75-114(e)(1), concerning the disaster emergency responsibilities of the Governor, is amended to read as follows:

(1) Suspend the provisions of any regulatory statutes prescribing the procedures for conduct of state business, or the orders~~,~~ or rules~~, or regulations~~ of any state agency, if strict compliance with the provisions of any statute, order, or rule~~, or regulation~~ would in any way prevent, hinder, or delay necessary action in coping with the emergency;

SECTION 970. Arkansas Code § 12-75-115(c)(3), concerning disaster prevention generally, is amended to read as follows:

(c)(1) At the same time that the Governor makes his or her recommendations pursuant to subsection (b) of this section, the Governor may suspend the standard or control which he or she finds to be inadequate to protect the public safety and by ~~regulation~~ rule place a new standard or control in effect.

SECTION 971. Arkansas Code § 12-75-115(c)(3), concerning disaster prevention generally, is amended to read as follows:

(3) During the time it is in effect, the standard or control contained in the Governor's ~~regulation~~ rule shall be administered and given

full effect by all relevant regulatory agencies of the state and local governments to which it applies.

SECTION 972. Arkansas Code § 12-79-103(3)(B), concerning the definition of "hazardous and toxic materials" under the Arkansas Hazardous and Toxic Materials Emergency Notification Act, is amended to read as follows:

(B) Any other substance or pollutant designated by ~~regulations~~ rules of the director promulgated under this chapter;

SECTION 973. Arkansas Code § 12-79-104(c), concerning the Arkansas Hazardous and Toxic Materials Emergency Notification Act incident or accident reporting system, is amended to read as follows:

(c) Each agency, office, bureau, or commission of the State of Arkansas or its political subdivisions having a role or responsibility for HAZMAT planning, response, recovery, or mitigation, or providing public safety services or having regulatory or oversight authority shall establish guidelines and procedures to ensure prompt and accurate reporting of any accident, incident, or known or suspected release of toxic or hazardous materials within the State of Arkansas in violation of any state or federal environmental or health protective statutes, regulations, rules, or guidelines.

SECTION 974. Arkansas Code § 12-79-106 is amended to read as follows:

12-79-106. Penalties.

Any person who pleads guilty or nolo contendere to or is found guilty of violating any provisions of this chapter or any ~~regulation~~ rule promulgated hereunder shall be guilty of a misdemeanor and be fined not more than five hundred dollars ($500) per day of violation or imprisoned for not more than one (1) year, or both.

SECTION 975. Arkansas Code § 12-82-104(d), concerning the State Emergency Response Commission, is amended to read as follows:

(d) The commission may promulgate such rules~~, regulations,~~ and guidelines as deemed necessary or desirable:

(1) For the training and certification of public emergency

response and recovery personnel, as defined in this chapter;

(2) To ensure compliance with the appropriate federal guidelines and law governing public emergency response and recovery personnel; and

(3) To adequately administer the requirements of the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. § 11001 et seq., in accordance with the provisions of the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 976. Arkansas Code § 12-83-105(a)(2), concerning reimbursement under the Emergency Volunteer Reserve Act of 1995, is amended to read as follows:

(2) Reimbursement shall be made in accordance with current state travel ~~regulations~~ rules and at the prescribed rates in effect at the time of their services.

SECTION 977. Arkansas Code § 13-2-207(3), concerning the powers and duties of the Arkansas State Library, is amended to read as follows:

(3) Operate and maintain a collection of multimedia materials to complement book collections and establish reasonable rules ~~and regulations~~ for their use and preservation;

SECTION 978. Arkansas Code § 13-2-207(8), concerning the powers and duties of the Arkansas State Library, is amended to read as follows:

(8) Cooperate with the Department of Education and the Department of Higher Education in devising plans for the development of libraries, in aiding librarians in their administration, in certification policies, and in formulating rules ~~and regulations~~ for the use of libraries;

SECTION 979. Arkansas Code § 13-3-106(d), concerning the powers and duties of the State Historian, is amended to read as follows:

(d) The State Historian shall administer the provisions of this chapter and the rules~~, regulations,~~ and orders established under this chapter as instructed by the director.

SECTION 980. Arkansas Code § 13-4-304(2), concerning financial records of the counties of the State of Arkansas, is amended to read as follows:

(2) State income tax records maintained per state law and ~~regulations~~ rules;

SECTION 981. Arkansas Code § 13-6-205(b), concerning appropriations and the disposition of funds for the Arkansas Archeological Survey, is amended to read as follows:

(b) All expenditures of funds appropriated for the survey shall be made in accordance with and subject to the state purchasing laws, the state travel laws and ~~regulations~~ rules, and other laws and ~~regulations~~ rules applicable thereto.

SECTION 982. Arkansas Code § 13-7-110(a), concerning the authorization of the Arkansas Historic Building Code, is amended to read as follows:

(a) The Arkansas Historic Preservation Program may by ~~regulation~~ rule promulgated pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq., adopt an Arkansas Historic Building Code for buildings listed individually on the National Register of Historic Places, buildings eligible for listing individually on the National Register of Historic Places, and buildings listed as a contributing resource in a National Register Historic District.

SECTION 983. Arkansas Code § 13-12-103 is amended to read as follows:

13-12-103. ~~Regulations~~ Rules.

The Dean of the Department of Forest Resources at the University of Arkansas at Monticello shall promulgate such ~~regulations~~ rules as are necessary to implement the provisions of this chapter.

SECTION 984. Arkansas Code § 14-14-808 is amended to read as follows:

14-14-808. Consistency with state ~~regulation~~ rules or regulations required.

(a) A county government exercising local legislative authority is prohibited the exercise of any power in any manner inconsistent with state law or administrative rule or regulation in any area affirmatively subjected by law to state regulation or control.

(b) The exercise of legislative authority is inconsistent with state law, rule, or regulation if it establishes standards or requirements which

are lower or less stringent than those imposed by state law, rule, or regulation.

(c) An area is affirmatively subjected to state control if a state agency or officer is directed to establish administrative rules ~~and regulations~~ governing the matter or if enforcement of standards or requirements established by statute is vested in a state officer or agency.

SECTION 985. Arkansas Code § 14-14-809 is amended to read as follows:

14-14-809. Concurrent powers.

(a) If a county government is authorized to regulate an area which the state by statute or administrative ~~regulation~~ rule also regulates, the local government may regulate the area only by enacting ordinances which are consistent with state law or administrative ~~regulation~~ rule.

(b) If state statute or administrative ~~regulation~~ rule prescribes a single standard of conduct, an ordinance is consistent if it is identical to the state statute or administrative ~~regulation~~ rule.

(c) If state statute or administrative ~~regulation~~ rule prescribes a minimal standard of conduct, an ordinance is consistent if it establishes a standard which is the same as, or higher or more stringent than the state standard.

(d) A county government may adopt ordinances which incorporate by reference state statutes and administrative ~~regulations~~ rules in areas in which a local government is authorized to act.

SECTION 986. Arkansas Code § 14-15-306(c), concerning the disposition of prescription medication by a coroner, is amended to read as follows:

(c) This section shall not apply to any prescription medication in the custody or possession of an institutional health care provider or attending hospice nurse that is subject to other laws, rules, and regulations governing the destruction or disposition of patient or resident medication.

SECTION 987. Arkansas Code § 14-15-811(d)(2), concerning the County Treasurer's Continuing Education Board, is amended to read as follows:

(2) Paying the meals, lodging, registration fees, and mileage at the rate prescribed in state travel ~~regulations~~ rules of county treasurers who attend the continuing education program;

(3) Acquiring educational materials; and

(4) Paying presenter fees and expenses.

SECTION 988. Arkansas Code § 14-15-1001(d)(2), concerning the County Collector's Continuing Education Board, is amended to read as follows:

(2) Paying the meals, lodging, registration fees, and mileage at the rate prescribed in state travel ~~regulations~~ rules of county collectors and sheriff-collectors who attend the continuing education programs;

SECTION 989. Arkansas Code § 14-16-117(3)(A) and (B), concerning a controlled burn by a property owner, are amended to read as follows:

(A) The property owner has complied with applicable state and federal environmental laws, rules, and regulations regarding asbestos abatement;

(B) The property owner ensures that the residence or structure is free of asbestos-containing materials, is free of contents, and otherwise demonstrates compliance with applicable state and federal environmental laws, rules, and regulations regarding hazardous wastes; and

SECTION 990. Arkansas Code § 14-25-201(d)(1), concerning responsible management entities for wastewater treatment systems, is amended to read as follows:

(d)(1) Any installation, operation, or maintenance performed on a wastewater treatment system on behalf of a responsible management entity shall be done in compliance with the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq., and the ~~regulations~~ rules of the Arkansas Pollution Control and Ecology Commission as administered by the Arkansas Department of Environmental Quality or its successor and the Department of Health or its successor.

SECTION 991. Arkansas Code § 14-25-201(e)(1)(A), concerning responsible management entities for wastewater treatment systems, is amended to read as follows:

(A) Before the construction of a wastewater treatment system begins, the developer secures written approval of the proposed wastewater treatment system from the Department of Health and complies with

all applicable permitting requirements, including stormwater, through the Arkansas Department of Environmental Quality pursuant to the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq., and the ~~regulations~~ rules of the Arkansas Pollution Control and Ecology Commission;

SECTION 992. Arkansas Code § 14-26-104(b)(4)(A), concerning counties' workers' compensation coverage through private carrier or self-funding is amended to read as follows:

(4)(A) Any self-funding group of participating municipalities or counties that is governed by a board of trustees of elected municipal or county officials shall be subject to the ~~regulations~~ rules of the Workers' Compensation Commission applicable to self-insured groups or providers.

SECTION 993. Arkansas Code § 14-42-409 is amended to read as follows:

14-42-409. Applicable regulations, rules, and laws.

All applicable regulations, rules, and statutes regulating the conduct of police or fire departments or their functions shall apply to a department of public safety and its employees.

SECTION 994. Arkansas Code § 14-42-425(b), concerning cities of the second class and incorporated towns, grants, and applicable regulations and laws, is amended to read as follows:

(b) All applicable regulations, rules, and statutes regulating the certification of law enforcement officers, the certification of fire departments, and the conduct of police or fire departments or their functions shall apply to a department of public safety and its employees.

SECTION 995. Arkansas Code § 14-43-607(e)(2), concerning city income taxes, is amended to read as follows:

(2) The director may establish ~~regulations~~ rules concerning the procedures for collecting these taxes by him or her.

SECTION 996. Arkansas Code § 14-60-104(b)(4)(A)(i), concerning municipalities' workers' compensation coverage through private carrier or self-funding, is amended to read as follows:

(4)(A)(i) Any self-funding group of participating municipalities

or counties which is governed by a board of trustees of elected municipal or county officials shall be subject to the ~~regulations~~ rules of the Workers' Compensation Commission applicable to self-insured groups or providers. However, cities and counties shall not be required to enter into an indemnity agreement binding them jointly and severally.

SECTION 997. Arkansas Code § 14-72-503(a)(1)(B), concerning the methods of issuance of bonds, is amended to read as follows:

(B) If the outstanding bonds are redeemable before maturity and have been duly called for payment, by the deposit of the money for their payment upon presentation according to the terms of the call in trust with an escrow agent duly designated by the city council, which escrow agent shall be a bank or trust company whose trust funds are secured in the manner provided by the national or state banking laws, rules, and regulations thereunder; or

SECTION 998. Arkansas Code § 14-92-219(11)(A), concerning the organization of suburban improvement districts, is amended to read as follows:

(11)(A) To provide a solid waste management system to adequately provide for the collection and disposal of all solid wastes generated or existing within the boundaries of the district in accordance with the rules~~,~~ ~~regulations,~~ and orders of the Arkansas Pollution Control and Ecology Commission.

SECTION 999. Arkansas Code § 14-116-402(a)(17), concerning the powers of water districts under the Regional Water Distribution District Act, is amended to read as follows:

(17) Accept appropriations from the state upon such terms and conditions as may be imposed by law or ~~regulation~~ rule to be used in the furtherance of the purposes for which the water district was created; and

SECTION 1000. Arkansas Code § 14-117-304(c), concerning the powers and duties of the board of commissioners under the Arkansas Irrigation, Drainage, and Watershed Improvement District Act of 1949, is amended to read as follows:

(c) The board also may accept appropriations from the state and from the United States Government upon such terms and conditions as may be imposed by law, rule, or regulation to be used in the furtherance of the purposes for which the district was authorized.

SECTION 1001. Arkansas Code § 14-125-108(a), concerning the development of soil conservation programs and the powers and duties of the Arkansas Soil and Water Conservation Commission, is amended to read as follows:

(a) The commission in cooperation with the land grant college in the state shall develop a program for soil conservation and for other purposes as provided for in this chapter, which shall be recognized as the state's policy in soil conservation. It may perform such acts, hold such public hearings, and promulgate such rules ~~and regulations~~ as may be necessary for the execution of its functions under this chapter.

SECTION 1002. Arkansas Code § 14-125-109(b)(5), concerning payments made to the district by the Arkansas Natural Resources Commission, is amended to read as follows:

(5) No application for payments shall be considered by the commission that is not prepared and signed according to the rules ~~and regulations~~ of the commission or which is received after the date specified by the commission for receiving applications.

SECTION 1003. Arkansas Code § 14-125-109(c), concerning payments made to the district by the Arkansas Natural Resources Commission, is amended to read as follows:

(c) Payments made to the various conservation districts of this state shall be used only in furtherance of the purposes of this chapter and shall be in such amounts and with such restrictions as prescribed by the rules ~~and regulations~~ of the commission.

SECTION 1004. Arkansas Code § 14-125-204(b), concerning expenses and conduct of hearings and referenda, is amended to read as follows:

(b) It shall issue appropriate ~~regulations~~ rules governing the conduct of the hearings and referenda, and providing for the registration prior to

the date of the referendum of all eligible voters, or prescribing some other appropriate procedure for the determination of those eligible as voters in the referendum.

SECTION 1005. Arkansas Code § 14-125-301(i), concerning the governing body of a conservation district, is amended to read as follows:

(i) As reimbursement for his attendance at any scheduled meeting of the district, a director may receive a sum not to exceed fifteen dollars ($15.00) plus mileage allowance at the same rate authorized by law or state travel ~~regulations~~ rules for state employees, per mile traveled from his home to the place of meeting and return. He may also be reimbursed for his actual expenses, including traveling expenses, necessarily incurred in the discharge of his other duties.

SECTION 1006. Arkansas Code § 14-125-302(b)(8)(C), concerning the election of directors of a conservation district, is amended to read as follows:

(C) Prescribe ~~regulations~~ rules governing the conduct of the election and the determination of the eligibility of voters therein; and

SECTION 1007. Arkansas Code § 14-125-403(a), concerning the conduct of a referendum filed with the Arkansas Soil and Water Conservation Commission, is amended to read as follows:

(a) Within sixty (60) days after a petition has been filed with the Arkansas Soil and Water Conservation Commission pursuant to § 14-125-402, the commission shall give due notice of the holding of a referendum, shall supervise and conduct the referendum, and shall issue appropriate ~~regulations~~ rules governing the conduct thereof.

SECTION 1008. Arkansas Code § 14-164-803(4)(A)(ii), concerning the definition of "energy efficiency project" under the Local Government Energy Efficiency Project Bond Act, is amended to read as follows:

(ii) Are measurable and verifiable under the International Performance Measurement and Verification Protocol, promulgated by the Arkansas Pollution Control and Ecology Commission in the ~~regulations~~ rules required under § 19-11-1207; and

SECTION 1009. Arkansas Code § 14-164-804(b), concerning the authorization of energy efficiency projects, is amended to read as follows:

(b) An energy efficiency project shall comply with current local, state, and federal construction and environmental codes, rules, and regulations.

SECTION 1010. Arkansas Code § 14-164-821 is amended to read as follows:

14-164-821. ~~Regulations~~ Rules.

A municipality or county may provide by ordinance that the municipality or county shall comply with the ~~regulations~~ rules promulgated by the Arkansas Pollution Control and Ecology Commission under § 19-11-1207.

SECTION 1011. Arkansas Code § 14-206-105(a)(1)(G), concerning proof of service and notice for the acquisition of utilities by municipalities, is amended to read as follows:

(G) Any other state agency or department or political subdivision of this state designated by Arkansas Public Service Commission ~~regulation~~ rule or order.

SECTION 1012. Arkansas Code § 14-206-108(a)(3) and (4), concerning the burden of proof for an application for the acquisition of utilities by municipalities, are amended to read as follows:

(3) That the acquisition of the properties, the gas or electric public utility functions to be performed, the operating procedures, the properties and equipment, and the use of the properties collectively provide reasonable assurance that the municipality will comply with all applicable laws, rules, and regulations and that the public health, safety, economy, and convenience will not be adversely affected;

(4) That the municipality is technically and financially qualified to acquire and operate the proposed properties in accordance with all applicable laws, rules, and regulations;

SECTION 1013. Arkansas Code § 14-207-101(3), concerning the definition of "franchise" or "franchise agreement" under the laws addressing valuation

of properties and facilities upon annexation, is amended to read as follows:

(3) "Franchise" or "franchise agreement" shall mean an agreement between a municipality which owns or operates an electric utility system and an electric public utility, including, but not limited to franchise agreements within the meaning of Act 324 of 1935, as amended, whereby the electric public utility continues to serve customers in its allocated service area and pays to the municipality which owns or operates an electric utility system franchise fees in accordance with applicable law and the rules ~~and regulations~~ of the Arkansas Public Service Commission.

SECTION 1014. Arkansas Code § 14-230-107(a), concerning applications for grants under The Water, Sewer, and Solid Waste Management Systems Finance Act of 1975, is amended to read as follows:

(a) The commission shall promulgate such rules~~, regulations,~~ and forms as are needed for the efficient administration of the chapter.

SECTION 1015. Arkansas Code § 14-234-403(b), concerning injunctions restraining operating authorities from permitting recreational activities, is amended to read as follows:

(b) Any operating authority may obtain prohibitive and mandatory injunctions against any person, firm, or corporation polluting its water supply or refusing to obey lawful regulations or rules adopted by the operating authority or the State Board of Health for the protection of any municipal water supply.

SECTION 1016. Arkansas Code § 14-236-105 is amended to read as follows:

14-236-105. Interpretation with other laws.

The provisions of any law or regulation of any municipality establishing standards affording greater protection to the public health or safety shall prevail within the jurisdiction of the municipality over the provisions of this chapter and ~~regulations~~ rules adopted hereunder.

SECTION 1017. Arkansas Code § 14-236-106(a)(2), concerning penalties for violations of the Arkansas Sewage Disposal Systems Act, is amended to read as follows:

(2) Approval by the Division of Environmental Health Protection of the Department of Health or its authorized agent of a requested variation from the rules ~~and regulations~~ adopted pursuant to this chapter shall not be construed as a violation of this chapter.

SECTION 1018. Arkansas Code § 14-236-106(c)(1), concerning penalties for violations of the Arkansas Sewage Disposal Systems Act, is amended to read as follows:

(c)(1) Any person, firm, corporation, or association who violates any of the provisions of this chapter or any rules ~~and regulations~~ promulgated under the authority of this chapter shall, upon conviction, be deemed guilty of a misdemeanor and shall be punished by a fine of not less than one hundred dollars ($100) nor more than one thousand dollars ($1,000).

SECTION 1019. Arkansas Code § 14-236-106(c)(2)(A), concerning penalties for violations of the Arkansas Sewage Disposal Systems Act, is amended to read as follows:

(2)(A) Every firm, person, or corporation who violates any of the provisions of this chapter or rules~~, regulations,~~ or orders issued or promulgated by the State Board of Health or who violates any condition of a license, permit, certificate, or any other type of registration issued by the board may be assessed a civil penalty by the board.

SECTION 1020. Arkansas Code § 14-236-106(c)(4), concerning penalties for violations of the Arkansas Sewage Disposal Systems Act, is amended to read as follows:

(4) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Health is authorized to transfer all unexpended funds relative to fines collected under this section, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 1021. Arkansas Code § 14-236-107(a), concerning the powers and duties of the Division of Sanitarian Services of the Department of Health, is amended to read as follows:

(a) The Division of Sanitarian Services of the Department of Health or its authorized agents shall have general supervision and authority over the location, design, construction, installation, and operation of individual sewage disposal systems, and shall be responsible for the administration of this chapter and of the rules ~~and regulations~~ adopted pursuant to this chapter.

SECTION 1022. Arkansas Code § 14-236-107(b), concerning the powers and duties of the Division of Sanitarian Services of the Department of Health, is amended to read as follows:

(b) In order to assure the effective and efficient administration of the provisions and purposes of this chapter, the Division of Sanitarian Services of the Department of Health is authorized to:

(1) After review by the House and Senate Interim Committees on Public Health, Welfare, and Labor or appropriate subcommittees thereof adopt, and from time to time amend, rules ~~and regulations~~ governing the review and approval of subdivisions proposing to utilize individual sewage disposal systems as the means of sewage disposal for part or all of the lots in the subdivision and the location, design, construction, installation, and operation of individual sewage disposal systems proposed for or located in subdivisions or in platted or unplatted lots or tracts of land pursuant to the procedures provided in the Arkansas Administrative Procedure Act, § 25-15-201 et seq., in order that the wastes from the systems will not pollute any potable water supply, or source of water used for public or domestic supply purposes, or for recreational purposes, or other waters of this state, and will not give rise to a public health hazard by being accessible to insects, rodents, or other possible carriers which may come into contact with food or potable water, or by being accessible to human beings, and will not constitute a nuisance due to odor or unsightly appearance;

(2) Include a provision in all rules ~~and regulations~~ adopted or amended under this chapter to encourage studies and alternate submissions by engineers, sanitarians, institutions, agencies, and other persons of economically feasible alternate systems for underground and above ground individual sewage disposal systems for use in soils not suitable for normal underground sewage disposal;

(3) Include in rules ~~and regulations~~ adopted pursuant to this

chapter, definitions and detailed descriptions of good management practices and procedures which, when utilized in the construction of septic systems, will:

(A) Justify variation in field size or in other standard requirements;

(B) Promote the use of good management practices or procedures in the construction of septic systems by adopting under the rules ~~and regulations~~ promulgated under this chapter standard permissible reductions in field size which may be applied when the management practices or procedures are utilized in the construction of a septic system;

(C) Require the utilization of one (1) or more specific management practices or procedures as a condition of approval of standard septic systems where, in the opinion of the authorized agent, unusual site conditions or problems require the additional management practices or procedures to ensure the proper operation of an otherwise standard septic system;

(4) Enforce the provisions of this chapter and any rules ~~and regulations~~ adopted pursuant thereto;

(5) Delegate, at its discretion, to any municipality or, in the case of an unincorporated subdivision, the property owners association, any of its authority under this chapter in the administration of the rules ~~and regulations~~ adopted pursuant to this chapter;

(6) Issue permits, and other documents, including the establishment and collection of permit fees and of procedures and forms for the submission, review, approval, and rejection of application for permits required under this chapter.

SECTION 1023. Arkansas Code § 14-236-109 is amended to read as follows:

14-236-109. Property owners' associations — Powers and duties.

Property owners' associations that construct and maintain or have constructed and maintained sewage disposal facilities in accordance with the standards and ~~regulations~~ rules established by the Division of Environmental Health Protection of the Department of Health or the Arkansas Department of Environmental Quality shall have jurisdiction over the disposal of sewage within and for the subdivided area over which their authority extends and

shall have general supervision and authority over the location, design, construction, installation, and operation of individual and community sewage disposal systems to the extent that the general supervision and authority is consistent with this chapter and the rules ~~and regulations~~ promulgated thereunder.

SECTION 1024. Arkansas Code § 14-236-110 is amended to read as follows:

14-236-110. Construction, alteration, repair prohibited.

No person shall construct, alter, repair, or extend or cause to be constructed, altered, repaired, or extended any individual sewage disposal system contrary to the provisions of this chapter and other applicable rules ~~and regulations~~.

SECTION 1025. Arkansas Code § 14-236-111(a)(1), concerning the review of proposals and inspections by the Division of Environmental Health Protection of the Department of Health, is amended to read as follows:

(a)(1) The Division of Environmental Health Protection of the Department of Health or its authorized agent is authorized and directed to review proposals for individual sewage disposal systems and to make inspections of individual sewage disposal systems as may be necessary to determine substantial compliance with this chapter and ~~regulations~~ rules adopted hereunder. The systems shall not be used unless a permit for operation has been approved by the division or its authorized agent.

SECTION 1026. Arkansas Code § 14-236-113 is amended to read as follows:

14-236-113. Applications for permits, etc. — Refusal.

(a) All applications for permits, licenses, or review certificates shall be made on a form which includes such information as may be required by the Division of Sanitarian Services of the Department of Health or its authorized agent to establish compliance with the provisions of this chapter, and any ~~regulations~~ rules adopted hereunder.

(b) Except as provided in § 14-236-104(a) and (b), a permit for the construction, alteration, repair, extension, or operation of an individual sewage disposal system or alternate and experimental system shall be refused

where community sewerage systems are reasonably available or economically feasible, or in instances where the issuance of such permit is in conflict with other applicable laws, rules, and regulations, or where the issuance of the permit is in conflict with the public policy declared by this chapter.

SECTION 1027. Arkansas Code § 14-236-115(b), concerning the registration of installers by the Division of Sanitarian Services of the Department of Health, is amended to read as follows:

(b) The registration will be issued by the Division of Sanitarian Services of the Department of Health or its authorized agent upon application on proper forms and compliance with the provisions of this chapter and ~~regulations~~ rules adopted pursuant to this chapter.

SECTION 1028. Arkansas Code § 14-236-116(g)(3), concerning the permits, registration fee, transferability, annual training course, and renewal of individual sewage disposal permit applications, is amended to read as follows:

(3) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Health is hereby authorized to transfer all unexpended funds relative to the funds outlined in subdivision (g)(2) of this section that pertain to fees collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 1029. Arkansas Code § 14-236-119(b), concerning registration of certified maintenance persons by the Division of Environmental Health Protection of the Department of Health, is amended to read as follows:

(b) The registration shall be issued by the division or its authorized agent upon compliance with this chapter and rules ~~and regulations~~ adopted under this chapter.

SECTION 1030. Arkansas Code § 14-249-101 is amended to read as follows:

14-249-101. Applicability.

Sections 14-249-103 — 14-249-106 are primarily intended to regulate

connections to sewer systems operating where there are now no regulations or rules as to sewer connections and they shall not apply to connections made to sewer lines located in cities or towns of the first or second class.

SECTION 1031. Arkansas Code § 14-251-105(b), concerning injunctions by the State Board of Health for permitting a recreational activity by operating authorities of municipally owned waterworks systems, is amended to read as follows:

(b) Any operating authority may obtain prohibitive and mandatory injunctions against any person, firm, or corporation polluting its water supply or refusing to obey lawful rules and regulations adopted by the operating authority or the State Board of Health for the protection of any municipal water supply.

SECTION 1032. Arkansas Code § 14-251-108(b), concerning the designation of an employee of the operating authority as a warden, is amended to read as follows:

(b) Wardens shall have the authority to arrest or apprehend any person whom they believe to have violated this chapter, or the boating laws of this state, or the rules and regulations of the operating authority which are authorized in this chapter, or the rules ~~and regulations~~ of the State Board of Health pertaining to protection of municipal water supplies and may take the offender when apprehended before any court having jurisdiction of the offense. Wardens shall have no authority to make arrests for violation of the game and fish laws, rules, and regulations of this state.

SECTION 1033. Arkansas Code § 14-262-101(b)(3) and (4), concerning penalties for violations of licenses, permits, certificates, or registrations issued by the State Board of Health, are amended to read as follows:

(3) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Health is authorized to transfer all unexpended funds relative to fines collected under this subsection, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

(4) All rules ~~and regulations~~ promulgated pursuant to this

subsection shall be reviewed by the House and Senate Interim Committees on Public Health, Welfare, and Labor or appropriate subcommittees thereof.

SECTION 1034. Arkansas Code § 14-262-109(a)(1), concerning the powers and duties of county or district health departments, is amended to read as follows:

(1) To administer and enforce the laws pertaining to public health and vital statistics and the orders, rules, ~~regulations,~~ and standards promulgated by the State Board of Health;

SECTION 1035. Arkansas Code § 14-262-112(1), concerning the powers and duties of public health officers, is amended to read as follows:

(1) To administer and enforce the public health laws of the State of Arkansas; the orders, rules, ~~regulations,~~ and standards of the State Board of Health; and the orders, rules, and regulations of the county or district board of health;

SECTION 1036. Arkansas Code § 14-262-115(a)(2), concerning the powers and duties of county or district boards of health, is amended to read as follows:

(2) To determine general policies to be followed by the public health officer in administering and enforcing the public health laws, rules, and regulations of the board and the orders, rules, ~~regulations,~~ and standards promulgated by the State Board of Health;

SECTION 1037. Arkansas Code § 14-262-115(a)(4), concerning the powers and duties of county or district boards of health, is amended to read as follows:

(4) To issue from time to time such orders and to adopt such rules and regulations, not inconsistent with the public health laws of this state nor with the orders~~,~~ and rules~~, and regulations~~ of the State Board of Health, as the board may deem necessary for the proper exercise of the powers and duties vested in or imposed upon a county or district health department or board of health by this act.

SECTION 1038. Arkansas Code § 14-262-116(c)(4)(C), concerning city

health departments, city boards of health, and city health officers in cities with a population of 25,000 or more, is amended to read as follows:

(C) Such duties as shall be legally required of him by general law and the city board of health, mayor, councils, or ordinances of the city or town, or by the directions, rules, ~~regulations,~~ and requirements of the State Board of Health.

SECTION 1039. Arkansas Code § 14-266-102(a)(2), concerning the legislative intent under the Ambulance Licensing Act, is amended to read as follows:

(2) In addition, it is legislatively determined that, in order to accomplish the purposes enumerated in this chapter, it may also be necessary for the cities and counties, in addition to all other powers granted in this chapter, to enact and establish standards, rules, and regulations that are equal to, or greater than, the minimum standards~~,~~ and rules~~, and regulations~~ established by the state, pursuant to §§ 20-13-201 — 20-13-209 and 20-13-211, concerning emergency medical services, emergency medical technicians, ambulances, ambulance companies, their relative properties, facilities, equipment, personnel, and all aspects attendant to providing emergency medical services and ambulance operations within the boundaries of their respective cities or in respect to the unincorporated areas of the county.

SECTION 1040. Arkansas Code § 14-270-203 is amended to read as follows:

14-270-203. Authorization.

The Arkansas Department of Parks and Tourism is herein authorized to promulgate procedures, rules, or guidelines~~, or regulations~~ necessary for the administration of the FUN Park Grants Program.

SECTION 1041. Arkansas Code § 14-271-103 is amended to read as follows:

14-271-103. Applicability.

(a) The Arkansas Public Service Commission shall, after public comment and hearing as provided below, promulgate ~~regulations~~ rules providing for an Arkansas one call center to be established and maintained by all operators

subject to the jurisdiction of the commission.

(b) The ~~regulations~~ rules shall at a minimum be consistent with the requirements of any federal law relating to one call centers, and otherwise shall provide standards and guidelines for the organization and administration by operators of the Arkansas One Call Center consistent with the terms, purposes, and requirements of this chapter, provided, however, that nothing herein, nor in the rules to be promulgated by the commission, shall be construed to restrict, diminish, or otherwise affect the ratemaking authority and responsibility of the commission with respect to One Call System expenditures by utilities or with respect to any other matter.

SECTION 1042. Arkansas Code § 14-284-304 is amended to read as follows:

14-284-304. Powers and duties.

The Rural Fire Protection Service of the Arkansas Forestry Commission shall have the following powers, functions, and duties to be performed under appropriate policies~~,~~ and rules~~, and regulations~~ promulgated by the Arkansas Forestry Commission:

(1) To develop rural fire protection plans for the providing of fire protection services in the various rural areas of this state which do not have available the benefits or services of an organized or voluntary fire fighting program, and to assist existing organized or volunteer fire fighting services;

(2) To encourage the establishment of rural fire protection districts and to promulgate reasonable and necessary rules ~~and regulations~~ that rural communities must meet in order to become eligible to secure fire fighting vehicles and equipment through the Arkansas Forestry Commission;

(3) To cooperate with and assist the Arkansas Fire Training Academy in developing training programs designed to instruct and train fire fighters employed or used by rural fire protection districts in the suppression of fires, and to especially establish training programs designed to prepare rural fire fighters in the methods of handling fire fighting problems encountered in rural areas;

(4) To provide leadership and to cooperate with the Arkansas Department of Emergency Management, the State Fire Marshal's office, and the Arkansas Fire Training Academy in coordinating the efforts of these agencies

with the efforts and services of rural fire protection districts for the purpose of coordinating and making maximum use of the services and resources of this state in providing rural fire protection services in this state;

(5) To establish a program to obtain by acquisition, donation, transfer, loan, or purchase, vehicles and other properties which are suitable for repair, refurbishing, and renovation, to be used as fire trucks or other fire fighting equipment, and to acquire the necessary tanks, pumps, water hoses, and other equipment to convert and adapt the equipment for fire fighting purposes, and to make the equipment available to rural fire protection districts, under appropriate rules ~~and regulations~~ and eligibility standards promulgated by the Arkansas Forestry Commission, to be used by rural fire protection districts in the suppression of fires;

(6) To provide technical assistance and guidance to rural fire protection districts, to cooperate with and assist persons interested in the creation of the districts in the collection of data and providing other resources or technical assistance to aid rural property owners in efforts to establish rural fire protection services, and to provide technical advice and assistance to rural fire protection districts to enable the districts to obtain and operate the necessary equipment and training and operating procedures to function efficiently as a rural fire protection district;

(7) To contract with public and private sources, including the Department of Correction, for providing mechanical, painting, body work, or other repair services relative to the conversion, painting, and adaptation of vehicles being converted into fire protection vehicles, and to reimburse for the cost of the services;

(8) To promulgate appropriate rules~~, regulations,~~ and forms for the administration of the Rural Fire Protection Revolving Fund, which shall consist of moneys made available for it to be used by the Arkansas Forestry Commission in defraying the initial cost of equipment, repair, furnishing, and adaptation of vehicles as fire trucks, or other fire fighting equipment, with the cost to be reimbursed to the Arkansas Forestry Commission upon the vehicle being made available to a rural fire protection district or similar rural fire fighting agency which operates not for profit, and, in addition, to make loans, as provided in this subchapter, to rural fire protection districts to provide a portion of the moneys required to enable the districts to acquire vehicles and equipment from the Arkansas Forestry Commission; and

(9) To perform such other functions and duties which may be necessary to enable the Arkansas Forestry Commission to provide a program of comprehensive services to encourage the development and availability of rural fire protection services throughout this state.

SECTION 1043. Arkansas Code § 14-284-305(a)(2), concerning the Rural Fire Protection Revolving Fund, is amended to read as follows:

(2) Making loans to rural fire protection districts which apply therefor and which are qualified under rules ~~and regulations~~ promulgated by the Arkansas Forestry Commission as qualified rural fire protection districts.

(A) The loans shall be used by qualified rural fire protection districts to provide moneys required to pay not more than seventy-five percent (75%) of the cost of acquiring, repairing, renovating, or equipping fire fighting vehicles which have been converted and adapted by the Arkansas Forestry Commission for rural fire protection use.

(B) However, the moneys loaned to a rural fire protection district from the Rural Fire Protection Revolving Fund shall be used exclusively to defray a portion of the cost of acquiring the fire fighting equipment from the Arkansas Forestry Commission.

(C) The Arkansas Forestry Commission may establish a reasonable rate of interest to be charged on loans made from the revolving fund.

SECTION 1044. Arkansas Code § 14-284-307(b) and (c), concerning Arkansas Forestry Commission loans to eligible rural fire protection districts for vehicle and equipment purchases, are amended to read as follows:

(b) The Arkansas Forestry Commission may make loans to eligible rural fire protection districts and other qualified districts, services, or programs which provide fire protection to rural areas not-for-profit, who may apply to the Arkansas Forestry Commission, upon forms and in accordance with rules ~~and regulations~~ promulgated by the Arkansas Forestry Commission, for loans not to exceed seventy-five percent (75%) of the cost of acquiring rural fire protection vehicles or equipment.

(c) The loans shall be for such period as may be approved by

~~regulation~~ rule of the Arkansas Forestry Commission, and in no event may any loan be for more than three (3) years.

SECTION 1045. Arkansas Code § 14-303-204(9), concerning the power and duty of the State Highway Commission to operate tollway projects, is amended to read as follows:

(9) Establish rules ~~and regulations~~ for the use of each tollway project;

SECTION 1046. Arkansas Code § 14-334-102(4), concerning the definition of "public transit system" under the Public Transit System Act, is amended to read as follows:

(4) “Public transit system” means a transit system owned and operated by any municipality, county, regional authority, state, or other governmental agency including school districts, and any transit system created or licensed by a government agency or managed by a private management firm under contract to the government agency owner. Excluded from the jurisdiction of any public transit system created by this chapter is any intercity bus transportation system subject to the ~~regulations~~ rules of the Arkansas Transportation Commission and the regulations Interstate Commerce Commission;

SECTION 1047. Arkansas Code § 14-357-106(b)(1), concerning the rules of county airport commissions, is amended to read as follows:

(b)(1) The commissioners shall comply with, or cause to be complied with, all civil air rules and regulations of the federal and state government as to air worthiness, certification, and operation of aircraft.

SECTION 1048. Arkansas Code § 14-359-114(b)(1), concerning the rules of municipal airport commissions under the Airport Commission Act, is amended to read as follows:

(b)(1) The commissioners shall comply with, or cause to be complied with, all civil air rules and regulations of the federal and state government as to air worthiness, certification, and operation of aircraft.

SECTION 1049. Arkansas Code § 14-361-103(a), concerning construction

and interpretation under the Municipal Airports Act, is amended to read as follows:

(a) This chapter shall be interpreted and construed so as to make uniform so far as possible the laws, rules, and regulations of this state and other states and of the government of the United States having to do with the subject of municipal airports.

SECTION 1050. Arkansas Code § 15-3-108(d)(1), concerning the nature, powers, and duties of the Division of Science and Technology of the Arkansas Economic Development Commission, is amended to read as follows:

(1) Make, amend, and repeal bylaws, and rules, ~~and regulations~~ for the management of the affairs of the division;

SECTION 1051. Arkansas Code § 15-3-110(a), concerning the power to promote basic and applied research at Arkansas colleges and universities, is amended to read as follows:

(a) The Executive Director of the Arkansas Economic Development Commission may make such rules ~~and regulations~~ as he or she may deem appropriate to enable him or her to create and fund programs designed to promote basic research and applied research at Arkansas colleges and universities and to develop technology emerging from sources of innovation in this state, including, but not limited to, colleges and universities, federal laboratories, small businesses, and inventors.

SECTION 1052. Arkansas Code § 15-3-113(b), concerning studies, planning, and recommendations by the Division of Science and Technology of the Arkansas Economic Development Commission, is amended to read as follows:

(b) The Executive Director of the Arkansas Economic Development Commission shall recommend to the General Assembly proposed laws and ~~regulations~~ rules to support the growth and development of programs and research in the sciences and specialized areas of high technology.

SECTION 1053. Arkansas Code § 15-3-203(a)(3), concerning the administration of the Arkansas Research Matching Fund, is amended to read as follows:

(3) A college or university shall adhere to the rules ~~and~~

~~regulations~~ that may be promulgated by the commission for administration of this fund.

SECTION 1054. Arkansas Code § 15-4-104(b), concerning bond guaranty programs for employee stock purchases, is amended to read as follows:

(b) The commission and the authority shall promulgate ~~regulations~~ rules necessary for the implementation of this section.

SECTION 1055. Arkansas Code § 15-4-404 is amended to read as follows:

15-4-404. Promulgation of rules ~~and regulations~~ generally.

The Arkansas Economic Development Council shall promulgate rules~~,~~ ~~regulations,~~ and procedures to be followed by the Division of Minority Business Enterprise of the Arkansas Economic Development Commission:

(1) In administering the provisions of this subchapter; and

(2) In the making of loans to small business investment companies or in the purchase from the companies of loans made to small business concerns in compliance with the provisions of this subchapter.

SECTION 1056. Arkansas Code § 15-4-405(b), concerning companies qualified for loan application and sale for small business investment companies, is amended to read as follows:

(b) If applications for loans or applications to sell investment loans filed with the division exceed the funds available for such purposes, the Arkansas Economic Development Council shall promulgate appropriate rules ~~and regulations~~ to apportion to each such small business investment company its pro rata share of available loan funds in accordance with guidelines and standards promulgated by the council.

SECTION 1057. Arkansas Code § 15-4-604(b), concerning standards and regulations for evaluations when bonds may be guaranteed, is amended to read as follows:

(b) The Arkansas Economic Development Council shall promulgate standards and ~~regulations~~ rules for the evaluation of the financial condition and business history of users.

SECTION 1058. Arkansas Code § 15-4-609 is amended to read as follows:

15-4-609. ~~Regulations~~ Rules.

(a) The Arkansas Economic Development Council is authorized and directed to conduct such investigation as it may determine necessary for the promulgation of ~~regulations~~ rules to govern the operation of the guaranty program authorized by this subchapter.

(b) These ~~regulations~~ rules shall include the restrictions and conditions imposed by this subchapter, including particularly those set forth in §§ 15-4-604 and 15-4-608. The ~~regulations~~ rules may include such other additional provisions, restrictions, and conditions as the council, after the investigation referred to in subsection (a) of this section, shall determine to be proper to achieve the most effective utilization of the guaranty program authorized by this subchapter. This may include, without limitation, a detailing of the remedies that must be exhausted by the bondholders or a trustee acting in their behalf prior to calling upon the council to perform under its guaranty agreement and the subrogation or other rights of the council with reference to the industrial project and its operation in the event the council makes payment pursuant to the applicable guaranty agreement.

(c) In this regard, the council is expressly authorized to enter into such agreements and otherwise take such action as may be necessary to exercise the authority conferred by this subchapter or to evidence the exercise thereof.

(d) The ~~regulations~~ rules promulgated by the council to govern the operation of the guaranty program shall contain specific provisions with respect to the rights of the council to enter, take over, and manage the industrial development properties upon default. These ~~regulations~~ rules shall set forth the respective rights of the council and the bondholders in regard thereto.

(e) Such ~~regulations~~ rules shall be in conformity with §§ 14-164-201 — 14-164-206, 14-164-208 — 14-164-224, 15-5-101 — 15-5-105, 15-5-201 — 15-5-211, and 15-5-301 — 15-5-316.

SECTION 1059. Arkansas Code § 15-4-1218(b)(3), concerning loan limits for financial institutions, is amended to read as follows:

(3) The total amount outstanding on loans to a company made by any member at any one (1) time, when added to the amount of the investment in

the capital stock or the units of interest of the company then held by that member, shall not exceed the limitation on loans established by law, rule, or regulation applicable to the member or, in the absence of any limitation, the amount approved by the board of directors or the management committee for that member;

SECTION 1060. Arkansas Code § 15-4-1226(a)(2)(A), concerning the supervision of companies by the Bank Commissioner, is amended to read as follows:

(A) Make reasonable rules ~~and regulations~~ which may be necessary to regulate the safety and soundness of the companies for making this subchapter effective;

SECTION 1061. Arkansas Code § 15-4-1226(b)(1), concerning the supervision of companies by the Securities Commissioner, is amended to read as follows:

(1) Make reasonable rules ~~and regulations~~ which may be necessary for making § 15-4-1220 effective;

SECTION 1062. Arkansas Code § 15-4-1228(a), concerning investigations by the Bank Commissioner or Securities Commissioner, is amended to read as follows:

(a) The Bank Commissioner may investigate, either upon complaint or otherwise, when it appears that a county or regional industrial development company is conducting its business in an unsafe and injurious manner or in violation of this subchapter or the ~~regulations~~ rules promulgated under this subchapter by the Bank Commissioner or when it appears that any person is engaging in the business without being approved under the provisions of this subchapter.

SECTION 1063. Arkansas Code § 15-4-1228(c)(1), concerning investigations by the Bank Commissioner or Securities Commissioner, is amended to read as follows:

(c)(1) Subject to the jurisdictional provisions of subsections (a) and (b) of this section, whenever it appears upon sufficient grounds or evidence satisfactory to the Bank Commissioner or the Securities Commissioner that any

county or regional industrial development company has engaged in or is about to engage in any act or practice in violation of this subchapter or any rule ~~or regulation~~ or order under this subchapter, or the assets or capital of any county or regional industrial development company is impaired or the county or regional industrial development company's affairs are in an unsafe condition, the Bank Commissioner or the Securities Commissioner may:

(A) Refer the evidence which is available concerning violations of this subchapter or any rule~~, regulation,~~ or order under this subchapter to the appropriate agency, which may institute the appropriate corrective action or proceedings with or without the reference; or

(B)(i) Summarily order the county or regional industrial development company to cease and desist from the act or practice during the time the Bank Commissioner or the Securities Commissioner may apply to the Pulaski County Circuit Court to enjoin the act or practice and to enforce compliance with this subchapter or any rule~~, regulation,~~ or order under this subchapter.

(ii) However, the Bank Commissioner or the Securities Commissioner may apply directly to the Pulaski County Circuit Court for injunctive relief without issuing a cease and desist order.

SECTION 1064. Arkansas Code § 15-4-1404(a)(1), concerning the authority of the Board of Trustees of the University of Arkansas, is amended to read as follows:

(1) Enter into contracts on a competitive-bid basis or noncompetitive-bid basis, consistent with state laws and ~~regulations~~ rules, with public and private agencies, institutions, organizations, and individuals for the purpose of providing assistance to and services for inventors as required by this subchapter;

SECTION 1065. Arkansas Code § 15-4-1604(1), concerning the power and duties of the Arkansas Economic Development Commission, is amended to read as follows:

(1) To promulgate rules ~~and regulations~~ in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., necessary to carry out the provisions of this subchapter;

SECTION 1066. Arkansas Code § 15-4-1608(b), concerning verification of information by the Department of Finance and Administration from the Department of Workforce Services, is amended to read as follows:

(b) The Department of Finance and Administration may promulgate rules ~~and regulations~~ necessary for the proper administration of the provisions of this subchapter.

SECTION 1067. Arkansas Code § 15-4-1703(6), concerning the powers and duties of the Arkansas Economic Development Commission, is amended to read as follows:

(6) To promulgate rules ~~and regulations~~, in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., necessary to carry out the provisions of this subchapter.

SECTION 1068. Arkansas Code § 15-4-1903(1), concerning the powers and duties of the Arkansas Economic Development Commission, is amended to read as follows:

(1) To promulgate rules ~~and regulations~~ in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., necessary to carry out the provisions of this subchapter;

SECTION 1069. Arkansas Code § 15-4-1906(f)(1)(C), concerning the refunding of sales and use tax as an income tax credit, is amended to read as follows:

(C) Any rule ~~or regulation~~ promulgated pursuant to this subchapter.

SECTION 1070. Arkansas Code § 15-4-2307(4), concerning the powers and duties of the Arkansas Economic Development Commission, is amended to read as follows:

(4) To promulgate rules ~~and regulations~~ in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., necessary to carry out the provisions of this subchapter.

SECTION 1071. Arkansas Code § 15-4-2504 is amended to read as follows:

15-4-2504. Supporting documents.

Each community lender requesting a participating loan shall submit to the Arkansas Economic Development Commission an application, supporting documents, and instruments as may be required by the ~~regulations~~ rules promulgated by the commission.

SECTION 1072. Arkansas Code § 15-4-2506 is amended to read as follows:

15-4-2506. ~~Regulations~~ Rules.

The Arkansas Economic Development Commission shall promulgate ~~regulations~~ rules to implement this subchapter.

SECTION 1073. Arkansas Code § 15-4-2703(23)(B), concerning the definition of "modernization" under the Consolidated Incentive Act of 2003, is amended to read as follows:

(B) "Modernization" does not include costs for routine maintenance or the installation of equipment that does not improve efficiency or productivity, except for expenditures for pollution control equipment mandated by state laws or rules, or federal laws or regulations;

SECTION 1074. Arkansas Code § 15-4-2703(34), concerning the definition of "qualified research expenditures" under the Consolidated Incentive Act of 2003, is amended to read as follows:

(34) "Qualified research expenditures" means the sum of any amounts that are paid or incurred by an Arkansas taxpayer during the taxable year in funding a qualified research program that has been approved for tax credit treatment under rules ~~and regulations~~ promulgated by the commission;

SECTION 1075. Arkansas Code § 15-4-2710(1), concerning the powers and duties of the Arkansas Economic Development Commission, is amended to read as follows:

(1) Promulgate rules ~~and regulations~~ in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., necessary to carry out the provisions of this subchapter;

SECTION 1076. Arkansas Code § 15-4-3606(b)(2)(C)(i), concerning the issuance of letter rulings by the Arkansas Economic Development Commission, is amended to read as follows:

(i) The applicant requests the commission to determine whether a statute is constitutional or a ~~regulation~~ rule is lawful;

SECTION 1077. Arkansas Code § 15-5-406 is amended to read as follows:

15-5-406. Standards and ~~regulations~~ rules for evaluations.

The Arkansas Development Finance Authority shall promulgate standards and ~~regulations~~ rules for the evaluation of the financial condition and business history of developers and may require the attachment to each application for guaranty under this subchapter of a financial report and evaluation by an independent certified public accounting firm, in addition to such examination and evaluation as the authority may make, in determining whether the developer meets prescribed minimum standards and qualifications before entering into any guaranty under this subchapter.

SECTION 1078. Arkansas Code § 15-5-413 is amended to read as follows:

15-5-413. ~~Regulations~~ Rules — Remedies.

(a) The Arkansas Development Finance Authority is authorized and directed to conduct such investigation as it may determine necessary for the promulgation of ~~regulations~~ rules to govern the operation of the guaranty program authorized by this subchapter. The ~~regulations~~ rules shall include the restriction and conditions imposed by this subchapter, including particularly those set forth in §§ 15-5-405 and 15-5-412, and may include such other and additional provisions, restrictions, and conditions as the authority, after the investigation referred to in this subsection, shall determine to be proper to achieve the most effective utilization of the guaranty program authorized by this subchapter, including, without limitation, a detailing of:

(1) The remedies that must be exhausted by the bondholders or a trustee acting in their behalf prior to calling upon the authority to perform under its guaranty agreement; and

(2) The subrogation or other rights of the authority with reference to the project and its operation in the event the authority makes payment pursuant to the applicable guaranty agreement.

(b) In this regard, the authority is expressly authorized to take such action and enter into such agreements and otherwise take such action as may be necessary to exercise the authority conferred by this subchapter or to

evidence the exercise thereof.

(c) The ~~regulations~~ rules promulgated by the authority to govern the operation of the guaranty program shall contain specific provisions with respect to the rights of the authority to enter, take over, and manage the project and its properties upon default, and shall set forth the respective rights of the authority and the bondholders in regard thereto.

(d) Such ~~regulations~~ rules shall be in conformity with this subchapter.

SECTION 1079. Arkansas Code § 15-5-603(c), concerning aggregate percentages allocated by the Arkansas Development Finance Authority, is amended to read as follows:

(c) The remaining thirty percent (30%) of the aggregate state ceiling plus any amounts not used by September 1 in each year pursuant to subsection (b) of this section is allocated to all other affected bonds issued by all issuers of such affected bonds within the state, regardless of whether such issuers are at the state level or at the local level, pursuant to rules ~~and regulations~~ established by the Arkansas Development Finance Authority promulgated in compliance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., in the amounts set forth in filings made by or on behalf of issuers.

SECTION 1080. Arkansas Code § 15-5-604(b)(1), concerning the filing by an issuer of reservation of volume cap and notice of issuance of bonds, is amended to read as follows:

(b)(1) Once accepted as a reservation of volume cap by the president pursuant to the rules ~~and regulations~~ of the Arkansas Development Finance Authority, a reservation filing shall be effective to allocate state volume cap for purposes of compliance with federal tax law, subject only to the timely issuance of the affected bonds.

SECTION 1081. Arkansas Code § 15-5-604(d)(2) and (3), concerning the filing by an issuer of reservation of volume cap and notice of issuance of bonds, are amended to read as follows:

(2) For reservation filings made on or after September 1 of each calendar year, or for reservation filings made once a volume cap shortage has

been declared in accordance with the rules ~~and regulations~~ of the authority, volume cap shall be reserved and allocated in accordance with the rules ~~and regulations~~ of the authority.

(3) The authority shall promulgate rules ~~and regulations~~ to provide for the declaring of a volume cap shortage and to reserve and allocate volume cap in cases of a shortage declaration in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1082. Arkansas Code § 15-5-604(e)(2), concerning the filing by an issuer of reservation of volume cap and notice of issuance of bonds, is amended to read as follows:

(2)(A) The president may extend the applicable period for issuing the affected bonds by up to sixty (60) days in accordance with the rules ~~and regulations~~ promulgated by the authority.

(B) The rules ~~and regulations~~ may provide for the payment by the issuer of a fee to extend the issuance period and may provide for the filing of an explanatory statement as to the reasons the affected bonds were not issued during the original applicable period.

(C) The authority shall promulgate rules ~~and regulations~~ to provide for extending the applicable period for issuing the affected bonds in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1083. Arkansas Code § 15-5-605 is amended to read as follows:

15-5-605. Special rules for allocation of volume cap for multifamily residential housing bonds.

(a) Notwithstanding § 15-5-604(c), the priority allocation of volume cap to multifamily residential housing bonds, whether the bonds are issued by the Arkansas Development Finance Authority or by any other issuer, shall not be determined based solely on the date of the reservation filing.

(b) Multifamily residential housing bonds shall be granted a priority based upon the decision of the authority in accordance with rules ~~and regulations~~ establishing criteria to determine priority for multifamily residential housing bonds.

(c) The rules ~~and regulations~~ may provide for the priority of the allocation to be based upon:

(1) The need for multifamily residential housing in the particular area of the state in which the project is to be located;

(2) The characteristics of the proposed project; and

(3) Any other factors as determined necessary by the authority.

(d) The authority shall promulgate rules ~~and regulations~~ to establish criteria to determine priority for multifamily residential housing bonds in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1084. Arkansas Code § 15-5-703(13)(B), concerning the definition of "small business" under the Arkansas Development Finance Authority Small Business Act of 1989, is amended to read as follows:

(B) This definition is subject to change by standards and ~~regulations~~ rules promulgated by the authority;

SECTION 1085. Arkansas Code § 15-5-706(a), concerning evaluation of small-business persons by the Arkansas Development Finance Authority, is amended to read as follows:

(a) The Arkansas Development Finance Authority shall promulgate standards and ~~regulations~~ rules for the evaluation of the financial condition and business history of the small-business person and may require the attachment to each application for a loan or guaranty or qualified investment under this subchapter of a financial report and evaluation by an independent certified public accountant firm in addition to such examination and evaluation as the authority may make in determining whether the small-business person meets prescribed minimum standards and qualifications before entering into any guaranty under this subchapter.

SECTION 1086. Arkansas Code § 15-5-708 is amended to read as follows:

15-5-708. Applications — Supporting documents.

Each small-business person requesting a loan or guaranty or qualified investment under this subchapter shall submit to the Arkansas Development Finance Authority an application, supporting documents, and instruments as may be required by the rules ~~and regulations~~ promulgated by the authority pursuant to this subchapter and approved by a majority vote of the Board of Directors of the Arkansas Development Finance Authority.

SECTION 1087. Arkansas Code § 15-5-1303(g), concerning affordable housing assistance activities and affordable housing units and the procedure for approval and tax credit, is amended to read as follows:

(g) The authority or its delegate is authorized to promulgate rules ~~and regulations~~ for:

(1) Establishing criteria for evaluating such proposals by business firms for approval or disapproval;

(2) Establishing housing priorities for approval or disapproval of such proposals by business firms; and

(3) The certification of eligibility for tax credits authorized under this section.

SECTION 1088. Arkansas Code § 15-5-1305 is amended to read as follows:

15-5-1305. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration and the Arkansas Development Finance Authority shall promulgate rules ~~and regulations~~ necessary to administer the provisions of this subchapter. No rule or portion of a rule promulgated under the authority of this subchapter shall become effective until it has been approved by the director in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1089. Arkansas Code § 15-5-1409 is amended to read as follows:

15-5-1409. Powers of the Arkansas Development Finance Authority.

The Arkansas Development Finance Authority shall have the power to promulgate ~~regulations~~ rules and make any contract, execute any document, perform any act, or enter into any financial or other transaction necessary to implement this subchapter.

SECTION 1090. Arkansas Code § 15-5-1511 is amended to read as follows:

15-5-1511. ~~Regulations~~ Rules.

The Arkansas Department of Environmental Quality may adopt ~~regulations~~ rules as necessary to implement this subchapter.

SECTION 1091. Arkansas Code § 15-5-1709(a)(3), concerning minimum requirements for the distribution of funds and application evaluation

guidelines, is amended to read as follows:

(3) Housing to be funded must adhere to the universal design criteria set forth in the rules ~~and regulations~~ of the authority;

SECTION 1092. Arkansas Code § 15-6-103(7), concerning the definition of "rural development and revitalization" under the Arkansas Rural Development Program Act, is amended to read as follows:

(7) "Rural development and revitalization" means those policies, programs, laws, regulations, rules, or other matters having to do with rural areas, including, but not limited to, economic development, employment, local government services and management, business, agriculture, environment, land use and natural resources, human services and community life, health care, education, transportation, community facilities, and housing;

SECTION 1093. Arkansas Code § 15-10-205(a)(7), concerning the powers and duties of the Arkansas Energy Office of the Arkansas Department of Environmental Quality, is amended to read as follows:

(7) Monitoring and evaluating existing and proposed actions, laws, policies, regulations, rules, and orders of the state and federal governments in energy matters relevant to Arkansas;

SECTION 1094. Arkansas Code § 15-10-205(c), concerning the powers and duties of the Arkansas Energy Office of the Arkansas Department of Environmental Quality, is amended to read as follows:

(c) The Arkansas Pollution Control and Ecology Commission may promulgate ~~regulations~~ rules necessary to administer this section for the purposes of:

(1) Implementing and prescribing enforcement for thermal and lighting efficiency standards for new building construction;

(2) Requiring a city or county that issues building permits for new building construction to adopt the Arkansas Energy Code for New Building Construction; and

(3) Administering emergency plans as referred to in subdivision (a)(4) of this section.

SECTION 1095. Arkansas Code § 15-10-301(b), concerning the endorsement

of the United States Congress in enacting the Atomic Energy Act of 1954, is amended to read as follows:

(b) The State of Arkansas recognizes that the development of industries producing or utilizing atomic energy may result in new conditions calling for changes in the laws of the state and in ~~regulations~~ rules issued thereunder with respect to health and safety; working conditions; workers' compensation; transportation; public utilities; life, health, accident, fire, and casualty insurance; the conservation of natural resources, including wildlife; and the protection of streams, rivers, and airspace from pollution, and therefore declares the policy of the state to be to:

(1) Adapt its laws and ~~regulations~~ rules to meet the new conditions in ways that will encourage the healthy development of industries or utilizing atomic energy while at the same time protecting the public interest;

(2) Initiate continuing studies of the need for changes in the relevant laws and ~~regulations~~ rules of the state by the respective departments and agencies of the state which are responsible for their administration; and

(3) Assure the coordination of the studies thus undertaken, particularly with other atomic industrial development activities of the state and with the development and regulatory activities of other states and of the United States Government.

SECTION 1096. Arkansas Code § 15-10-304 is amended to read as follows:

15-10-304. Studying the need for changes in law.

(a) Each of the following departments and agencies of state government is directed to initiate and to pursue continuing studies as to the need, if any, for changes in the laws and ~~regulations~~ rules administered by it that would arise from the presence within the state of special nuclear material and by-product material and from the operation herein of production facilities or utilization facilities.

(b) On the basis of such studies, each of these departments and agencies is to make recommendations for the enactment of laws or amendments to laws administered by it and proposals for amendments to the ~~regulations~~ rules issued by it, as may appear necessary and appropriate:

(1) The State Board of Health, particularly as to hazards, if

any, to the public health and safety;

(2) The Department of Labor, particularly as to hazardous working conditions, if any;

(3) The Workers' Compensation Commission, particularly as to the time and character of proof of claims of injuries and the extent of the compensation allowable therefor;

(4) The Arkansas Department of Transportation, particularly as to the transportation of special nuclear material and by-product material on highways of the state;

(5) The Arkansas Public Service Commission, particularly as to the transportation of special nuclear materials and by-product materials by common carriers not in interstate commerce and as to the participation by public utilities subject to its jurisdiction in projects looking to the development of production facilities or utilization facilities for industrial or commercial use;

(6) The State Insurance Department, particularly as to the insurance of persons and property from hazards to life and property resulting from atomic development;

(7) The Arkansas Geological Survey, particularly as to the hazards, if any, to the natural resources of the state, including wildlife, and as to the protection, if necessary, of rivers, streams, and airspace from pollution; and

(8) Such other departments and agencies, including departments and agencies of political subdivisions of the state, as the Governor may direct and for the purposes specified by him or her.

SECTION 1097. Arkansas Code § 15-10-305(c)(2), concerning the coordinator of Atomic Development Activities, is amended to read as follows:

(2) No ~~regulation~~ rule or amendment to a ~~regulation~~ rule applying specifically to an atomic energy matter which any such department or agency may propose to issue shall become effective until thirty (30) days after it has been submitted to the coordinator unless, upon a finding of emergency need, the Governor by order waives all or any part of this thirty-day period.

SECTION 1098. Arkansas Code § 15-11-101(7), concerning the publicity

duties of the Director of the Department of Parks and Tourism, is amended to read as follows:

(7) Assist and aid the various departments of state in the preparation and distribution of pamphlets, booklets, folders, etc., when it may be deemed advisable to give publicity to the activities of any department or to inform the public of the activities, rules, ~~regulations,~~ or requirements of the state government.

SECTION 1099. Arkansas Code § 15-11-205(a), concerning the Director of the Department of Parks and Tourism, is amended to read as follows:

(a) The State Parks, Recreation, and Travel Commission, with the approval of the Governor, shall employ a Director of the Department of Parks and Tourism who shall be charged with the duty of administering the provisions of this subchapter and the rules~~, regulations,~~ and orders established thereunder.

SECTION 1100. Arkansas Code § 15-11-206(a)(2), concerning the functions, powers, and duties of the State Parks, Recreation, and Travel Commission, is amended to read as follows:

(2) For the purpose of regulating its own procedure and carrying out its functions, have the authority from time to time to make, amend, and enforce all reasonable rules ~~or regulations~~ not inconsistent with law which will aid in the performance of any of the functions, powers, or duties conferred or imposed upon it by law.

SECTION 1101. Arkansas Code § 15-11-303(4), concerning State Parks, Recreation, and Travel Commission duties, is amended to read as follows:

(4) Make reasonable rules ~~and regulations~~ and perform such other duties as may be in furtherance of the purposes of this subchapter.

SECTION 1102. Arkansas Code § 15-11-402(a)(1), concerning the formation of a regional tourist promotion agency, is amended to read as follows:

(a)(1) Any group of interested citizens and residents of counties composing a natural planning region of this state and who are residents of counties representing not less than fifty percent (50%) of the total

population of the region, but in no event fewer than fifteen (15) individuals, who shall form a nonprofit corporation pursuant to the provisions of the Arkansas Nonprofit Corporation Act, § 4-28-201 et seq., for the purpose of promoting tourist travel and vacation business in the counties composing the natural planning region and whose charters, bylaws, and purposes are in compliance with the rules ~~and regulations~~ promulgated by the State Parks, Recreation, and Travel Commission or the Department of Parks and Tourism pursuant to the provisions of this subchapter may apply for recognition by the commission as a regional tourist promotion agency under this subchapter.

SECTION 1103. Arkansas Code § 15-11-403(a)(1), concerning the designation of a regional tourist promotion agency, is amended to read as follows:

(1) That the applying agency is established under the Arkansas Nonprofit Corporation Act, § 4-28-201 et seq., and has a constitution and bylaws governing the activities and purposes of the corporation which are in compliance with the rules ~~and regulations~~ of the commission established in furtherance of the purposes of this subchapter;

SECTION 1104. Arkansas Code § 15-11-408(a)(1), concerning matching state funds for regional tourist promotion agencies, is amended to read as follows:

(a)(1) The State Parks, Recreation, and Travel Commission shall promulgate reasonable rules ~~and regulations~~ regarding the use of matching funds that are available to the respective regional tourist promotion agencies.

SECTION 1105. Arkansas Code § 15-11-504(a), concerning evaluation standards of tourism attraction project applications, is amended to read as follows:

(a) The Executive Director of the Arkansas Economic Development Commission shall establish standards for the making of applications for inducements to eligible companies and their tourism attraction projects by the promulgation of administrative ~~regulations~~ rules in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1106. Arkansas Code § 15-11-505(a), concerning standards for approval of tourism attraction projects, is amended to read as follows:

(a) The Executive Director of the Arkansas Economic Development Commission shall establish standards for final approval of eligible companies and their tourism attraction projects by the promulgation of administrative ~~regulations~~ rules in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1107. Arkansas Code § 15-11-507(f)(1), concerning tourism attraction project sales tax credits, is amended to read as follows:

(f)(1) The Director of the Department of Finance and Administration may promulgate administrative ~~regulations~~ rules as are necessary for the proper administration of this subchapter.

SECTION 1108. Arkansas Code § 15-13-205 is amended to read as follows:

15-13-205. Rules.

The Director of the Department of Finance and Administration shall promulgate rules ~~and regulations~~ to provide for the administration of this subchapter.

SECTION 1109. Arkansas Code § 15-14-108 is amended to read as follows:

15-14-108. Rules ~~and regulations~~.

The Arkansas Association of Development Organizations, after having received input from the Department of Parks and Tourism, the Department of Arkansas Heritage, and the Arkansas Economic Development Commission, shall promulgate rules ~~and regulations~~ to implement this chapter.

SECTION 1110. Arkansas Code § 15-20-205(b), concerning the Executive Director of the Arkansas Natural Resources Commission, is amended to read as follows:

(b) The executive director shall be charged with the duty of administering the provisions of this subchapter and the rules~~, regulations,~~ and orders established thereunder.

SECTION 1111. Arkansas Code § 15-20-206(a), concerning rules,

meetings, oaths, subpoenas and judicial review of the Arkansas Natural Resources Commission, is amended to read as follows:

(a) For the purpose of carrying out its functions, the Arkansas Natural Resources Commission shall have authority to make and amend and enforce all necessary or desirable rules~~, regulations,~~ and orders not inconsistent with law.

SECTION 1112. Arkansas Code § 15-20-206(g), concerning rules, meetings, oaths, subpoenas and judicial review of the Arkansas Natural Resources Commission, is amended to read as follows:

(g) Any rule~~, regulation,~~ or order made by the commission shall be subject to judicial review pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1113. Arkansas Code § 15-20-308(4), concerning the Arkansas Natural Heritage Commission, is amended to read as follows:

(4)(A) To establish and from time to time amend such policies~~,~~ and rules~~, and regulations~~ for the selection, acquisition, management, protection, and use of the system as it may find necessary or appropriate to preserve the lands or interests therein acquired under this subchapter and carry out the policies of this subchapter.

(B) These policies~~,~~ and rules~~, and regulations~~ shall prevail, in the event of conflict, over any policies, rules, ~~regulations,~~ and practices of any agency or department that may receive title to any portion of the system;

SECTION 1114. Arkansas Code § 15-20-308(8), concerning the Arkansas Natural Heritage Commission, is amended to read as follows:

(8) To supervise the protection, management, and use of the system and to administer and enforce its policies~~,~~ and rules~~, and regulations~~;

SECTION 1115. Arkansas Code § 15-20-410(a)(1) concerning easements held by Old State House Commission, is amended to read as follows:

(a)(1) Approval of the creation, modification, or termination of a conservation easement held by the Old State House Commission shall be

executed by the Director of the Old State House Commission in accordance with the rules ~~and regulations~~ promulgated by the Old State House Commission to assure that conservation easements shall be in the public interest.

SECTION 1116. Arkansas Code § 15-20-904(c), concerning the Arkansas Natural Resources Commission registration program, is amended to read as follows:

(c) The commission shall promulgate ~~regulations~~ rules that require a poultry feeding operation to submit, at a time and in a manner determined by the commission, information regarding:

(1) The number and kind of poultry housed or maintained in the poultry feeding operation;

(2) The location of the poultry feeding operation;

(3) The litter management system used;

(4) The litter storage system used and the amount of litter stored;

(5) The acreage owned or controlled by the poultry feeding operation and used for land application of litter;

(6) The land application practices used by the poultry feeding operation and the amount of litter applied;

(7) The amount of litter transferred or otherwise utilized by the poultry feeding operation and the type of transfer or utilization;

(8) The poultry processor or processors with which the poultry feeding operation has contracted to provide poultry; and

(9) Any other relevant information necessary to effect the purposes of this subchapter.

SECTION 1117. Arkansas Code § 15-20-904(e), concerning the Arkansas Natural Resources Commission registration program, is amended to read as follows:

(e) All ~~regulations~~ rules shall be promulgated pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1118. Arkansas Code § 15-20-1004(c), concerning the Arkansas Natural Resources Commission nutrient planner program, is amended to read as follows:

(c) The commission shall promulgate ~~regulations~~ rules that:

(1) Specify qualifications and standards for a person to be deemed competent in nutrient management plan preparation and provide for the issuance of documentation of certification to the person;

(2) Specify the conditions under which a certification issued may be suspended or revoked;

(3) Establish fees to be paid by a person enrolling in the training and certification programs;

(4) Provide for the performance of other duties and the exercise of other powers by the Executive Director of the Arkansas Natural Resources Commission as may be necessary to provide for the training and certification of a person preparing nutrient management plans; and

(5) Give due consideration to relevant existing agricultural or other certification programs.

SECTION 1119. Arkansas Code § 15-20-1005(c), concerning the Arkansas Natural Resources Commission nutrient applicator program, is amended to read as follows:

(c) The commission shall promulgate ~~regulations~~ rules that:

(1) Specify the qualifications and standards for a person to be deemed competent in nutrient application and provide for the issuance of documentation of certification to the person;

(2) Specify the conditions under which a certification issued may be suspended or revoked;

(3) Establish fees to be paid by persons enrolling in the training and certification programs; and

(4) Provide for the performance of other duties and the exercise of other powers by the Executive Director of the Arkansas Natural Resources Commission as may be necessary to provide for the training and certification of a person making nutrient application.

SECTION 1120. Arkansas Code § 15-20-1006(a), concerning the Arkansas Natural Resources Commission procedure for records related to the nutrient planner program and the nutrient application program, is amended to read as follows:

(a) The process for the development of ~~regulations~~ rules and the

imposition of administrative penalties shall be conducted pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1121. Arkansas Code § 15-20-1008(a), concerning the administrative penalties of the Arkansas Soil Nutrient Management Planner and Applicator Certification Act, is amended to read as follows:

(a) The Arkansas Natural Resources Commission may impose administrative penalties not to exceed one thousand dollars ($1,000) per violation against any person violating this subchapter or ~~regulations~~ rules adopted pursuant to this subchapter.

SECTION 1122. Arkansas Code § 15-20-1105 is amended to read as follows:

15-20-1105. Regulatory considerations.

In developing ~~regulations~~ rules to implement this subchapter, the Arkansas Natural Resources Commission shall consider:

(1) The current and projected level of nutrients in the soil within the area;

(2) The current or potential impacts of surplus nutrients within the area;

(3) Litter produced and applied in the area;

(4) Commercial fertilizer, compost, and other sources of nutrients applied within the area;

(5) The current or projected nutrient needs within the area, including the nutrient level necessary to maintain soil fertility, current and future cropping patterns, and those crops' demands for nutrients;

(6) The soil type, geology, hydrology, and other physical characteristics of the area;

(7) The types of water bodies and the uses of the waters within the area; and

(8) Any other relevant information necessary to effect the purposes of this subchapter.

SECTION 1123. Arkansas Code § 15-20-1111(a), concerning the implementation of the Arkansas Soil Nutrient Application and Poultry Litter Utilization Act, is amended to read as follows:

(a)(1) The Arkansas Natural Resources Commission may develop all ~~regulations~~ rules necessary to implement this subchapter.

(2) ~~Regulations~~ Rules shall be adopted pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1124. Arkansas Code § 15-20-1114(a)(1), concerning no conflict between the Arkansas Soil Nutrient Application and Poultry Litter Utilization Act and the Arkansas Water and Air Pollution Control Act, is amended to read as follows:

(a)(1) This subchapter shall not supersede the requirement that liquid animal waste management systems comply with the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq., or ~~regulations~~ rules adopted under the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq.

SECTION 1125. Arkansas Code § 15-20-1114(b), concerning no conflict between the Arkansas Soil Nutrient Application and Poultry Litter Utilization Act and the Arkansas Water and Air Pollution Control Act, is amended to read as follows:

(b) Except as provided in subsection (a) of this section, nutrient and litter management activities conducted in compliance with this subchapter shall not be subject to regulation under the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq., or ~~regulations~~ rules adopted under the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq.

SECTION 1126. Arkansas Code § 15-20-1114(c)(2), concerning no conflict between the Arkansas Soil Nutrient Application and Poultry Litter Utilization Act and the Arkansas Water and Air Pollution Control Act, is amended to read as follows:

(2) The nutrient and litter-management activities so determined shall be subject to regulation under the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq., and ~~regulations~~ rules adopted under the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq.

SECTION 1127. Arkansas Code § 15-21-403(5), concerning the duties of the University of Arkansas to each state agricultural plan, is amended to read as follows:

(5) Prescribe such rules ~~and regulations~~ as may be necessary or expedient with reference to the administration of such state agricultural plans.

SECTION 1128. Arkansas Code § 15-21-504(j)(2)(A), concerning the duties, responsibilities, and authority of the Arkansas Geographic Information Systems Board, is amended to read as follows:

(2)(A) Agreements will be interagency service agreements and are exempt from the provisions of the Arkansas Procurement Law, § 19-11-201 et seq., and ~~regulations~~ rules.

SECTION 1129. Arkansas Code § 15-22-204(b), concerning penalties and enforcement by the Arkansas Natural Resources Commission, is amended to read as follows:

(b) The Arkansas Natural Resources Commission shall enforce its ~~regulations~~ rules and orders by any or all of the following means:

(1) Revocation of any permit or suspension from any program administered by the commission;

(2) Suit for injunction or for damages, or both; and

(3) Civil penalties not to exceed ten thousand dollars ($10,000).

SECTION 1130. Arkansas Code § 15-22-205(b), concerning the powers of the Arkansas Natural Resources Commission regarding water, is amended to read as follows:

(b) To that end, the commission shall conduct hearings and promulgate rules~~, regulations,~~ and orders under the procedure prescribed in this subchapter.

SECTION 1131. Arkansas Code § 15-22-206(a)(1)(A), concerning the procedure for making rules and orders by the Arkansas Natural Resources Commission, is amended to read as follows:

(a)(1)(A) No rule~~, regulation,~~ or order, including a change, renewal, or extension thereof, shall be made by the Arkansas Natural Resources Commission except after reasonable notice and public hearing with respect thereto.

SECTION 1132. Arkansas Code § 15-22-206(c), concerning the procedure for making rules and orders by the Arkansas Natural Resources Commission, is amended to read as follows:

(c)(1) Each rule, ~~regulation,~~ and order made by the commission shall be in writing and shall be entered in full in a book to be kept by the commission for such a purpose. The book shall be a public record and be open to inspection at all times during reasonable office hours.

(2) A copy of any such rule~~, regulation,~~ or order, certified by a member of the commission or the Executive Director of the Arkansas Natural Resources Commission, shall be received in evidence in all courts of this state with the same effect as the original.

SECTION 1133. Arkansas Code § 15-22-209 is amended to read as follows:

15-22-209. Appellate review.

Any person affected by any rule~~, regulation,~~ or order made by the Arkansas Natural Resources Commission or action taken may obtain review of such an action pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1134. Arkansas Code § 15-22-221(c)(1), concerning the delegation of allocation authority by the Arkansas Natural Resources Commission, is amended to read as follows:

(c)(1) The commission shall have all the necessary power to effectuate this delegation, including, but not limited to, the power to determine disputes between, approve or disapprove regulations or rules of, and hear appeals from decisions of districts to which the commission has delegated powers.

SECTION 1135. Arkansas Code § 15-22-503(a), concerning the Arkansas Water Plan, is amended to read as follows:

(a) Under such rules ~~and regulations~~ as it may adopt, the Arkansas Natural Resources Commission is charged with the duty of preparing, developing, formulating, and engaging in a comprehensive program for the orderly development and management of the state's water and related land resources, to be referred to as the "Arkansas Water Plan".

SECTION 1136. Arkansas Code § 15-22-505(7), concerning the powers and duties of the Arkansas Natural Resources Commission, is amended to read as follows:

(7)(A) To adopt and enforce such rules ~~and regulations~~ as are necessary for the proper and efficient administration of this subchapter.

(B) However, all rules ~~and regulations~~ adopted by the commission are subject to judicial review in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.; and

SECTION 1137. Arkansas Code § 15-22-804(3), concerning the duties of the Arkansas Natural Resources Commission, is amended to read as follows:

(3) In accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., promulgate such rules ~~and regulations~~ and procedures necessary for the operation of this program.

SECTION 1138. Arkansas Code § 15-22-806(c), concerning loans, grants, applications, awards, and the eligibility of local governments entering into cooperative agreements with the Arkansas Natural Resources Commission, is amended to read as follows:

(c) The Arkansas Natural Resources Commission, by ~~regulation~~ rule, shall specify the form and style of any forms needed for application by the local governments for loans or grants.

SECTION 1139. Arkansas Code § 15-22-904(1), concerning the powers of the Arkansas Natural Resources Commission to promulgate rules for groundwater classification and aquifer use, is amended to read as follows:

(1) Promulgate rules ~~and regulations~~ for groundwater classification and aquifer use, well spacing, issuance of groundwater rights within critical groundwater areas, and assessment of fees;

SECTION 1140. Arkansas Code § 15-22-904(6), concerning the powers of the Arkansas Natural Resources Commission to promulgate rules for groundwater classification and aquifer use, is amended to read as follows:

(6) Issue orders to implement or enforce any of the provisions of this subchapter or regulations or rules under this subchapter;

SECTION 1141. Arkansas Code § 15-22-904(10), concerning the powers of the Arkansas Natural Resources Commission to promulgate rules for groundwater classification and aquifer use, is amended to read as follows:

(10) Resolve disputes between, approve ~~regulations~~ rules of, and hear appeals from decisions of districts to which the commission has delegated powers; and

SECTION 1142. Arkansas Code § 15-22-1212(a)(15), concerning the powers of each Sparta Aquifer critical groundwater county conservation board, is amended to read as follows:

(15) Accept appropriations and grants from the State of Arkansas and from the United States upon such terms and conditions as may be imposed by law, rule, or regulation;

SECTION 1143. Arkansas Code § 15-23-104(c)(2), concerning the Kings River, is amended to read as follows:

(2) Any business or industry located on or near the Kings River to engage in any dumping or drainage or to permit any seepage into the Kings River that would affect the quality of the waters of the Kings River in violation of any ~~regulation~~ rule of the Arkansas Pollution Control and Ecology Commission;

SECTION 1144. Arkansas Code § 15-23-313(d)(1), concerning specific designations of the Arkansas Natural and Scenic Rivers System Act, is amended to read as follows:

(d)(1) The Arkansas Natural Heritage Commission is authorized to apply for and the court is authorized to grant a temporary or permanent injunction restraining any person from violating or continuing to violate any provision of this section or any rule ~~or regulation~~ promulgated under this section, notwithstanding the existence of other remedies at law.

SECTION 1145. Arkansas Code § 15-23-904 is amended to read as follows:

15-23-904. Authority to establish programs.

(a) The Arkansas Waterways Commission, working in partnership with the Arkansas Economic Development Commission, may establish by ~~rules and~~

~~regulations~~ rule the criteria of eligibility for awarding funds to any public port authority to aid in the development of port infrastructure, including the engineering and construction costs.

(b) The rules ~~and regulations~~ shall be reviewed by the House Committee on Public Transportation and the Senate Committee on Public Transportation, Technology, and Legislative Affairs.

SECTION 1146. Arkansas Code § 15-23-905 is amended to read as follows:

15-23-905. Port Priority Improvement Program.

The Arkansas Waterways Commission's rules ~~and regulations~~ for the Port Priority Improvement Program shall, as a minimum:

(1) Provide for the commission to administer the program authorized under this subchapter;

(2) Require the commission to take the necessary actions to ensure that the funds are used for the purposes for which they are to be awarded and that they are expended in accordance with all state laws and local ordinances and procedures and regulations;

(3) Specify:

(A) The procedure for receiving applications;

(B) Who is eligible to apply;

(C) The goals and objectives of the program for public port infrastructure development; and

(D) The procedures for awarding funds;

(4) Require the public port authority to file a performance review report with the commission for three (3) consecutive years following completion of the project comparing actual benefits with the projected benefits associated with the project as stated in the application for funding;

(5) Require that each public port authority provide matching funds equal to at least ten percent (10%) of the estimated cost of the port infrastructure project for which an application is made;

(6) Provide that eligible port infrastructure development projects shall be only for capital improvement projects and shall not be used for any routine maintenance or operational expenses; and

(7) Provide that no individual port shall receive more than twenty percent (20%) of the total amount available for public port

infrastructure development projects.

SECTION 1147. Arkansas Code § 15-23-906(b), concerning the Arkansas Waterways Commission application and award for the Port Priority Improvement Program, is amended to read as follows:

(b) All applications shall be submitted as required by the establishing rules ~~and regulations~~.

SECTION 1148. Arkansas Code § 15-31-104(2)(A), concerning the duties of the State Forester, is amended to read as follows:

(2)(A) Administer the provisions of this chapter and the rules~~,~~ ~~regulations,~~ and orders established under this chapter.

SECTION 1149. Arkansas Code § 15-31-106(a)(2), concerning the functions, powers, and duties of the Arkansas Forestry Commission, is amended to read as follows:

(2) Formulate and put into effect policies, plans, and reasonable rules ~~and regulations~~ as may be necessary to the accomplishment of the purpose stated in subdivision (a)(1) of this section;

SECTION 1150. Arkansas Code § 15-31-106(b)(2), concerning the functions, powers, and duties of the Arkansas Forestry Commission, is amended to read as follows:

(2) For the purpose of regulating the commission's own procedure and carrying out its transferred or newly provided functions, the commission shall have the authority, from time to time, to make and amend and enforce all reasonable rules ~~or regulations~~ not inconsistent with law which will aid in the performance of any of the functions, powers, or duties conferred or imposed upon it by law.

SECTION 1151. Arkansas Code § 15-31-111(c), concerning the fees of the Arkansas Forestry Commission, is amended to read as follows:

(c) The commission is authorized to promulgate such rules ~~and regulations~~ necessary to administer the fees, rates, tolls, or charges for services established by this section and is directed to prescribe and collect such fees, rates, tolls, or charges for the services delivered by the

commission in such manner as may be necessary to support the programs of the commission as directed by the Governor and General Assembly.

SECTION 1152. Arkansas Code § 15-31-112 is amended to read as follows:

15-31-112. Enforcement of Poison Springs State Forest ~~Regulations~~ Rules.

(a)(1) It shall be the duty of the Arkansas Forestry Commission's law enforcement personnel to enforce the Poison Springs State Forest ~~regulations~~ rules promulgated by the commission pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

(2) The commission's law enforcement personnel shall have the right to take the offenders before any court having jurisdiction in the county where the offense is committed.

(b) Violations of Poison Springs State Forest ~~regulations~~ rules shall be considered unclassified misdemeanors, the penalty for which shall be in accordance with the ~~regulation~~ rule defining the conduct, but in no case shall the penalty for violating any Poison Springs State Forest ~~regulation~~ rule exceed the penalty established by law for a Class A misdemeanor.

SECTION 1153. Arkansas Code § 15-55-204(b)(1), concerning the duties of the State Geologist, is amended to read as follows:

(1) Be charged with the duty of administering the provisions of this subchapter and the rules~~, regulations,~~ and orders established thereunder;

SECTION 1154. Arkansas Code § 15-57-304(a)(1), concerning violations of the rules or orders of the Arkansas Pollution Control and Ecology Commission or the Arkansas Department of Environmental Quality, is amended to read as follows:

(1) Violate any provision of this subchapter or any rule~~, regulation,~~ or order of the Arkansas Pollution Control and Ecology Commission or the Arkansas Department of Environmental Quality issued pursuant to this subchapter;

SECTION 1155. Arkansas Code § 15-57-305(a)(1), concerning civil and administrative penalties of the Arkansas Department of Environmental Quality,

is amended to read as follows:

(1) To restrain any violation of or to compel compliance with the provisions of this subchapter or of any order, rule, ~~regulation,~~ permit, or reclamation plan issued pursuant thereto;

SECTION 1156. Arkansas Code § 15-57-305(a)(4), concerning civil and administrative penalties of the Arkansas Department of Environmental Quality, is amended to read as follows:

(4) To assess civil penalties for violations of this subchapter or of any order, rule, ~~regulation,~~ permit, or reclamation plan issued pursuant thereto in an amount not to exceed:

(A) One thousand dollars ($1,000) for the first violation;

(B) Two thousand five hundred dollars ($2,500) for a second separate violation of the same offense within two (2) years; and

(C) Five thousand dollars ($5,000) for a third separate or subsequent violation of the same offense within two (2) years;

SECTION 1157. Arkansas Code § 15-57-305(b)(1), concerning civil and administrative penalties of the Arkansas Department of Environmental Quality, is amended to read as follows:

(1) Any person who engages in open-cut mining without first securing a permit as required by this subchapter or who fails to reclaim affected lands in accordance with this subchapter or who violates any provision of this or any order, ~~regulation,~~ rule, permit, or reclamation plan issued pursuant thereto, may be assessed an administrative civil penalty by the department not to exceed:

(A) One thousand dollars ($1,000) for the first violation;

(B) Two thousand five hundred dollars ($2,500) for a second separate violation of the same offense within two (2) years; and

(C) Five thousand dollars ($5,000) for a third separate or subsequent violation of the same offense within two (2) years.

SECTION 1158. Arkansas Code § 15-57-305(b)(3), concerning civil and administrative penalties of the Arkansas Department of Environmental Quality, is amended to read as follows:

(3) The amount of the administrative civil penalty shall be

determined in accordance with ~~regulations~~ rules adopted by the Arkansas Pollution Control and Ecology Commission, including, but not limited to, the ~~regulations~~ rules on civil penalties.

SECTION 1159. Arkansas Code § 15-57-305(c), concerning civil and administrative penalties of the Arkansas Department of Environmental Quality, is amended to read as follows:

(c) All hearings and appeals arising under this subchapter shall be conducted in accordance with the procedures described in §§ 8-4-218 — 8-4-229 and in accordance with ~~regulations~~ rules adopted by the commission, including, but not limited to, the ~~regulations~~ rules on administrative procedures.

SECTION 1160. Arkansas Code § 15-57-307 is amended to read as follows:

15-57-307. Rules ~~and regulations~~.

The Arkansas Pollution Control and Ecology Commission may adopt and promulgate rules ~~and regulations~~ necessary to administer the provisions of this subchapter.

SECTION 1161. Arkansas Code § 15-57-310(g)(1), concerning the necessity of a permit for open-cut mining, is amended to read as follows:

(g)(1) The Arkansas Department of Environmental Quality shall develop ~~regulations~~ rules to implement the provisions of this chapter.

SECTION 1162. Arkansas Code § 15-57-315(l)(B), concerning the duties of an operator of an open-cut mine, is amended to read as follows:

(B) The Director of the Arkansas Department of Environmental Quality shall develop ~~regulations~~ rules which will allow the department the discretion to permit deviations from certain reclamation standards, including final slope steepness requirements within this subdivision (l), because of unique mining situations, provided the deviations are consistent with the declaration of policy in this subchapter;

SECTION 1163. Arkansas Code § 15-57-316(a)(1)(A), concerning the bond of an operator under the Arkansas Open-Cut Land Reclamation Act, is amended to read as follows:

(a)(1)(A) Any bond provided in this subchapter to be filed with the Arkansas Department of Environmental Quality by the operator shall be in such form as the department shall prescribe, payable to the State of Arkansas through the department, conditioned that the operator shall faithfully perform all requirements of this subchapter and comply with all rules~~, regulations,~~ and orders made in accordance with the provisions of this subchapter.

SECTION 1164. Arkansas Code § 15-57-316(a)(4), concerning the bond of an operator under the Arkansas Open-Cut Land Reclamation Act, is amended to read as follows:

(4) The Arkansas Pollution Control and Ecology Commission shall promulgate ~~regulations~~ rules concerning bonds and substituted security which will attempt to ensure that small operators are not precluded from development of mineral resources as a result of high bond amounts, but which will provide reasonable security.

SECTION 1165. Arkansas Code § 15-57-316(e)(1), concerning the bond of an operator under the Arkansas Open-Cut Land Reclamation Act, is amended to read as follows:

(e)(1) The department shall give written notice to the operator of any violation of this subchapter or noncompliance with any of the rules~~, regulations,~~ or orders promulgated under this subchapter.

SECTION 1166. Arkansas Code § 15-57-317(a)(1), concerning bond forfeiture proceedings under the Arkansas Open-Cut Land Reclamation Act, is amended to read as follows:

(1) Failure to abate any violation of this subchapter or any rule ~~or regulation~~ promulgated thereunder;

SECTION 1167. Arkansas Code § 15-57-319(c), concerning Land Reclamation Fund permit fees under the Arkansas Open-Cut Land Reclamation Act, is amended to read as follows:

(c) The Arkansas Pollution Control and Ecology Commission may by ~~regulation~~ rule prescribe an annual permit fee on affected lands.

SECTION 1168. Arkansas Code § 15-57-403(g), concerning the notification, filing, public notice and response related to quarries, is amended to read as follows:

(g) On completion of a notification, the department will issue the operator a notice which will be posted on quarry premises at all times when the quarry is in operation and which will state:

"Name of company _____ has completed the requirements, as set out by the 'Arkansas Quarry Operation, Reclamation and Safe Closure Act' of 1997, and has the unconditional authorization to quarry at this site, so long as the quarry is in compliance with all laws, rules, and regulations for up to five (5) years."

SECTION 1169. Arkansas Code § 15-57-404(a)(6)(B), concerning notification of intent to quarry, is amended to read as follows:

(B) The following right to quarry, signed and notarized:

"I, the operator of [quarry name] located at [legal description in county], have the legal right by deeds, leases, or other instruments to conduct quarry operations for commercial and other purposes at this location. I will comply with all state and federal laws, rules, and regulations in this operation. Company Name _____ President _____ Secretary _____";

SECTION 1170. Arkansas Code § 15-57-405(a)(2), concerning notification of temporarily closed quarry, is amended to read as follows:

(2) Right to temporarily close as follows:

"I, operator of [quarry name], located at [legal description in County], have the legal right by deeds, leases, or other instruments to temporarily close this quarry operation until such time as it becomes necessary to reactivate this operation. I will comply with all state and federal laws, rules, and regulations during this temporary closure and inactive status."

SECTION 1171. Arkansas Code § 15-58-102(3), concerning legislative findings and the Arkansas Surface Coal Mining and Reclamation Act of 1979, is amended to read as follows:

(3) Because surface coal mining in this state takes place in areas where the terrain, climate, biological, chemical, and other physical

conditions are peculiar to this state and because the Arkansas Department of Environmental Quality is familiar with these conditions, the department has the primary responsibility to develop, issue, and enforce ~~regulations~~ rules for surface mining and reclamation operations in this state pursuant to this chapter and in compliance with applicable federal laws, rules, and regulations;

SECTION 1172. Arkansas Code § 15-58-103(7), concerning the declaration of policy under the Arkansas Surface Coal Mining and Reclamation Act of 1979, is amended to read as follows:

(7) Assure that appropriate procedures are provided for public participation in the development, revision, and enforcement of ~~regulations~~ rules, standards, reclamation plans, or programs established pursuant to this subchapter;

SECTION 1173. Arkansas Code § 15-58-103(10), concerning the declaration of policy under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(10) Promote reclamation of mined areas in this state, which were left without adequate reclamation prior to August 3, 1977, and which continue in their unreclaimed condition to substantially degrade the quality of the environment, prevent or damage the beneficial use of the land or water resources, or endanger the health or safety of the public by developing and implementing a state abandoned mine reclamation program pursuant to Public Law 95-87 which complies with the requirements for a state abandoned mine reclamation program set forth therein and which shall generally identify the areas to be reclaimed, the purposes for which the reclamation is proposed, the relationship of the lands to be reclaimed and of the proposed reclamation to surrounding areas, the specific criteria for ranking and identifying projects to be funded, and by issuing ~~regulations~~ rules which will supply the legal authority and programmatic capability to perform such work in conformance with the provisions of Title IV, Public Law 95-87;

SECTION 1174. Arkansas Code § 15-58-104(18), concerning the definition of "unwarranted failure to comply" under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(18) "Unwarranted failure to comply" means the failure of a permittee to prevent the occurrence of any violation of his or her permit or any requirement of this chapter or the ~~regulations~~ rules issued pursuant to this chapter due to indifference, lack of diligence, or lack of reasonable care, or the failure to abate any violation of a permit, this chapter, or the ~~regulations~~ rules issued pursuant to this chapter due to indifference, lack of diligence, or lack of reasonable care.

SECTION 1175. Arkansas Code § 15-58-105 is amended to read as follows:

15-58-105. Public agencies, utilities, and corporations.

Any agency, unit, or instrumentality of federal, state, or local government, including any publicly owned utility or publicly owned corporation of federal, state, or local government, which proposes to engage in surface coal mining operations which are subject to the requirements of this chapter shall comply with the provisions of this chapter and the ~~regulations~~ rules issued pursuant to this chapter.

SECTION 1176. Arkansas Code § 15-58-106(3), concerning exempt activities under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(3) The extraction of coal as an incidental part of federal, state, or local government-financed highway or other construction under ~~regulations~~ rules established by the Arkansas Pollution Control and Ecology Commission; or

SECTION 1177. Arkansas Code § 15-58-201(a), concerning the jurisdiction and powers and duties of the Arkansas Department of Environmental Quality under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(a) The Arkansas Department of Environmental Quality is designated as the official agency whose duty it is to establish policies and guidelines, to administer the guidelines contained in this chapter, and to institute other reasonable ~~regulations~~ rules and guidelines as they become necessary pursuant to this chapter. The rules ~~and regulations~~ may provide differing terms and provisions for particular conditions, particular mining techniques, types of coal, particular areas of the state, surface mines, and the surface impacts

of underground mines or any other differences which appear relevant and necessary so long as the action taken is consistent with attainment of the general intent and purposes of this chapter.

SECTION 1178. Arkansas Code § 15-58-202 is amended to read as follows:

15-58-202. Commission — Powers and duties.

(a) The authority shall be vested in the Arkansas Pollution Control and Ecology Commission to establish policies and guidelines and take such other actions as are necessary to ensure the development, administration, and enforcement of a state program which meets the requirements of the Surface Mining Control and Reclamation Act of 1977, Pub. L. No. 95-87, and, in doing so, shall have the following duties and powers:

(1) To adopt, amend, and issue rules ~~and regulations~~ in accordance with the procedures set forth herein pertaining to surface coal mining and reclamation operations in accordance with but no more restrictive than the Surface Mining Control and Reclamation Act of 1977, Pub. L. No. 95-87, consistent with the general intent and purposes of this chapter and consistent with but no more restrictive than the regulations issued by the Secretary of the Interior pursuant to the Surface Mining Control and Reclamation Act of 1977, Pub. L. No. 95-87, as required for the state to develop an approved state program and to assume and retain exclusive jurisdiction over the regulation of surface coal mining and reclamation operations pursuant to section 503 of the Surface Mining Control and Reclamation Act of 1977, Pub. L. No. 95-87;

(2) To adopt, amend, and issue rules ~~and regulations~~ in accordance with the procedures set forth in this subchapter pertaining to the reclamation of abandoned mines in this state in accordance with the Surface Mining Control and Reclamation Act of 1977, Pub. L. No. 95-87, as required for the state to develop an approved state abandoned mine reclamation program and to assume and retain exclusive jurisdiction over the regulation of abandoned mine reclamation in this state pursuant to Title IV of the Surface Mining Control and Reclamation Act of 1977, Pub. L. No. 95-87;

(3) To conduct administrative hearings and to perform all necessary functions pursuant thereto and exercise discretionary review pursuant to the provisions of this chapter over all aspects of surface coal mining and reclamation operations performed within this state;

(4) To designate lands unsuitable for all or certain types of surface coal mining in accordance with provisions of this chapter and the ~~regulations~~ rules issued pursuant to this chapter; and

(5) To perform other duties and acts required by and provided for in this chapter or reasonably necessary to carry out the purposes of this chapter or the ~~regulations~~ rules issued pursuant to this chapter.

(b) The commission shall have the authority to promulgate ~~regulations~~ rules to amend the provisions of this chapter when such amendments are permitted by an amendment to the Surface Mining Control and Reclamation Act of 1977, Pub. L. No. 95-87, subsequent to the enactment of this chapter.

SECTION 1179. Arkansas Code § 15-58-203(a)(6) and (7), concerning the powers and duties of the Director of the Arkansas Department of Environmental Quality under the Arkansas Surface Coal Mining and Reclamation Act, are amended to read as follows:

(6) To issue or modify orders requiring an operator to take actions that are reasonably necessary to comply with this chapter or rules ~~and regulations~~ issued pursuant to this chapter;

(7) To issue an order ordering a cessation of surface coal mining or reclamation operations or revoking the permit of an operator who has failed to comply with an order of the director to take action required by this chapter or rules ~~and regulations~~ issued pursuant to this chapter; or, in the event the permit is revoked, to cause the operator's performance bond, cash, or collateral securities to be forfeited if it is determined that it is necessary to reclaim the area of land affected by the operator's surface coal mining operation;

SECTION 1180. Arkansas Code § 15-58-203(a)(20) and (21), concerning the powers and duties of the Director of the Arkansas Department of Environmental Quality under the Arkansas Surface Coal Mining and Reclamation Act, are amended to read as follows:

(20) To apply for, receive, and segregate the state abandoned mine reclamation funds into a special account, to spend the moneys in accordance with the provisions of this chapter and the ~~regulations~~ rules issued by the commission, and to prepare and submit to the Secretary of the Interior information as required in the administration of the state abandoned

mine reclamation program;

(21) To sell land acquired pursuant to the state abandoned mine reclamation program by public sale under a system of competitive bidding at not less than fair market value and in accordance with ~~regulations~~ rules issued by the commission;

SECTION 1181. Arkansas Code § 15-58-203(a)(23), concerning the powers and duties of the Director of the Arkansas Department of Environmental Quality under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(23) To perform other duties and acts required by and provided for in this chapter or reasonably necessary to carry out the purposes of this chapter or the ~~regulations~~ rules issued pursuant to this chapter.

SECTION 1182. Arkansas Code § 15-58-203(b), concerning the powers and duties of the Director of the Arkansas Department of Environmental Quality under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(b) The director shall have the right to grant variances to the requirements of this chapter and the ~~regulations~~ rules issued pursuant to this chapter in the issuance of any permit pursuant to this chapter or, upon application of a permittee to amend an issued permit to allow a variance when variances are permitted by an amendment to the Surface Mining Control and Reclamation Act of 1977, Pub. L. No. 95-87, subsequent to the enactment of this chapter.

SECTION 1183. Arkansas Code § 15-58-204 is amended to read as follows:

15-58-204. Adoption of rules ~~and regulations~~.

(a) Before the adoption, amendment, or repeal of any rule ~~or regulation~~, the Arkansas Pollution Control and Ecology Commission shall give public notice and the opportunity for a public hearing under §§ 15-58-207 and 15-58-208.

(b)(1) If the commission finds that imminent peril to the public health, safety, or welfare requires adoption of a rule upon fewer than twenty (20) days' notice and states in writing its reasons for that finding, it may proceed without prior notice or hearing, or upon any abbreviated notice and

hearing that it may choose, to adopt an emergency rule ~~or regulation~~.

(2) The rule ~~or regulation~~ may be effective for no longer than one hundred eighty (180) days.

(c)(1) A person has the right to petition for the issuance, amendment, or repeal of any rule ~~or regulation~~.

(2) Within ninety (90) days after submission of a petition, the commission either shall deny the petition, stating in writing its reasons for the denial, or shall initiate rulemaking proceedings in accordance with subsection (a) of this section.

(d)(1) The commission shall file with the Secretary of State a certified copy of each rule ~~or regulation~~ adopted by it.

(2) The Secretary of State shall keep a permanent register of the rule ~~or regulation~~ open to public inspection.

(3)(A) Each rule ~~or regulation~~ shall be effective twenty (20) days after filing, unless a later date is specified by law or in the rule ~~or regulation itself~~.

(B) However, an emergency rule ~~or regulation~~ may become effective immediately upon filing or at a stated time less than twenty (20) days after filing if the commission finds that this effective date is necessary because of imminent peril to the public health, safety, or welfare.

(C) The commission's finding and a brief statement of the reasons shall be filed with the rule ~~or regulation~~.

(D) The commission shall take appropriate measures to make emergency rules ~~or regulations~~ known to the persons who may be affected by them.

(e) A rule ~~or regulation~~ shall not be valid unless adopted and filed in substantial compliance with this chapter.

SECTION 1184. Arkansas Code § 15-58-205(a) and (b), concerning inspections by the Arkansas Department of Environmental Quality under the Arkansas Surface Coal Mining and Reclamation Act, are amended to read as follows:

(a) The Director of the Arkansas Department of Environmental Quality shall require such monitoring and reporting, shall cause to be made such inspections of any surface coal mining and reclamation operations, shall require the maintenance of such signs and markers, and shall take such other

actions as are necessary to administer, enforce, and evaluate the administration of this chapter and to meet the state program requirements. For these purposes, the director or his or her authorized representatives, upon presentation of appropriate identifying credentials, shall have a right of entry to, upon, or through any surface coal mining and reclamation operations and, at reasonable times and without delay, may have access to and copy any records and inspect any monitoring equipment or method of operation required under this chapter or the ~~regulations~~ rules issued pursuant to this chapter.

(b) The Arkansas Pollution Control and Ecology Commission shall issue ~~regulations~~ rules which provide for informing the operator of violations detected by an inspector, for making public all inspection and monitoring reports and other records and reports adequate to enforce the requirements of and to carry out the terms and purpose of this chapter. The ~~regulations~~ rules shall also provide at a minimum for inspections without prior notice to the permittee or his or her agents or employees, except for necessary on site meetings with the permittee, on an irregular basis averaging not less than one (1) partial inspection per month and one (1) complete inspection per calendar quarter for the surface coal mining and reclamation operation covered by the permit.

SECTION 1185. Arkansas Code § 15-58-205(c)(3), concerning inspections by the Arkansas Department of Environmental Quality under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(3) The commission shall by ~~regulation~~ rule establish procedures ensuring that adequate and complete inspections have been made and for the review of reports from interested persons. The ~~regulations~~ rules shall provide that the interested persons are furnished a written statement of the reasons for the final disposition of the matter.

SECTION 1186. Arkansas Code § 15-58-206(b), concerning the prohibition on enforcement personnel having a financial interest in underground or surface coal mining operations, is amended to read as follows:

(b) The commission shall publish ~~regulations~~ rules to establish methods by which the provisions of this section will be monitored and enforced, including appropriate provisions for the persons to file for the

director's review, statements, and supplements thereto concerning any financial interest which may be affected by this section.

SECTION 1187. Arkansas Code § 15-58-207(b), concerning public hearing procedures under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(b) Notice shall be circulated in accordance with the ~~regulations~~ rules issued by the commission to inform interested and potentially interested persons of the pending action.

SECTION 1188. Arkansas Code § 15-58-207(c)(3), concerning public hearing procedures under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(3) If a public hearing is requested by an interested person on or before ten (10) days of receipt of the objections and in accordance with the ~~regulations~~ rules issued by the commission, public notice shall be given in accordance with the ~~regulations~~ rules issued by the commission.

SECTION 1189. Arkansas Code § 15-58-207(g), concerning public hearing procedures under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(g)(1) If there has been no public hearing held pursuant to this section, the director or the commission shall grant or deny, in whole or in part, the requested or proposed action within a reasonable time and in accordance with ~~regulations~~ rules issued by the commission.

(2) Parties shall be notified by mail with a copy of the decision.

(3) Public notice shall be given of the decision in accordance with the ~~regulations~~ rules issued by the commission.

SECTION 1190. Arkansas Code § 15-58-208(b)(1)(B), concerning public hearing examiners under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(B) Public notice of the information shall be circulated in accordance with ~~regulations~~ rules issued by the commission;

SECTION 1191. Arkansas Code § 15-58-209(b), concerning adjudicatory hearing procedures under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(b) Application for review must be made within thirty (30) days of official notification of the action taken in subsection (a) of this section or within thirty (30) days after the director or his or her authorized agent issues his or her decision pursuant to the informal mine site hearing provided in §§ 15-58-301(c) and 15-58-302 as determined in ~~regulations~~ rules issued by the commission.

SECTION 1192. Arkansas Code § 15-58-210(c)(1), concerning adjudicatory hearing presiding officers under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(1) To set the time and place for the public hearing in accordance with ~~regulations~~ rules issued by the commission;

SECTION 1193. Arkansas Code § 15-58-210(c)(9), concerning adjudicatory hearing presiding officers under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(9) To grant stays or temporary relief under conditions they prescribe in accordance with ~~regulations~~ rules issued by the commission pursuant to this chapter;

SECTION 1194. Arkansas Code § 15-58-212(a)(4), concerning judicial review of administrative proceedings under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(4) The promulgation of rules ~~or regulations~~ by the commission pursuant to §§ 15-58-207 and 15-58-208.

SECTION 1195. Arkansas Code § 15-58-301(a)-(c), concerning cessation orders for violations not causing imminent danger or harm issued by the Arkansas Department of Environmental Quality, are amended to read as follows:

(a) If the Director of the Arkansas Department of Environmental Quality or his or her authorized representative determines on the basis of an inspection or other available information that a permittee is in violation of a requirement of this chapter or of the ~~regulations~~ rules issued pursuant to

this chapter or a permit condition required by this chapter or the ~~regulations~~ rules issued pursuant to this chapter but the violation does not create an imminent danger to the health or safety of the public or is not causing or reasonably expected to cause significant imminent environmental harm to land, air, or water resources, the director or his or her authorized representative shall issue a notice of violation to the permittee or his or her agent fixing a reasonable time, but not more than ninety (90) days, for the abatement of the violation in accordance with the procedures set out in ~~regulations~~ rules issued by the Arkansas Pollution Control and Ecology Commission pursuant to this chapter.

(b) If, on expiration of the period of time as originally set in the notice of violation for abatement of the violation, or as subsequently extended, for good cause shown, and on written findings of the director or his or her authorized representative, the director or his or her authorized agent finds that the violation has not been abated, he or she shall immediately issue a cessation order for surface mining operations in accordance with the procedures set out in ~~regulations~~ rules issued by the commission pursuant to this chapter on that portion of the area relevant to the violation.

(c) The cessation order shall remain in effect until the director or his or her authorized agent determines that the violation has been abated or until modified, vacated, or terminated by the director or his or her authorized agent. The cessation order shall expire within thirty (30) days of actual notice to the operator unless an informal hearing is held in accordance with ~~regulations~~ rules issued by the commission at the site or within such reasonable proximity to the site that any viewings of the site can be conducted during the course of the public hearing.

SECTION 1196. Arkansas Code § 15-58-302(a) and (b), concerning cessation orders for violations causing imminent danger or harm issued by the Arkansas Department of Environmental Quality, are amended to read as follows:

(a) If the Arkansas Department of Environmental Quality or his or her authorized representative determines, on the basis of an inspection or other available information, that a condition or practice exists or that a permittee is in violation of a requirement of this chapter or of the ~~regulations~~ rules issued pursuant to this chapter or of a permit condition

required by this chapter or the ~~regulations~~ rules issued pursuant to this chapter, and that this condition, practice, or violation also creates an imminent danger to the health or safety of the public or is causing or can reasonably be expected to cause significant imminent environmental harm to land, air, or water resources, the director or his or her authorized representative or agent shall immediately issue a cessation order in accordance with the procedures set out in ~~regulations~~ rules issued by the Arkansas Pollution Control and Ecology Commission pursuant to this chapter requiring the immediate termination of all surface coal mining and reclamation operations or the portion thereof relevant to the condition, practice, or violation.

(b) The cessation order shall remain in effect until the director or his or her authorized representative determines that the condition, practice, or violation has been abated or until the order has been modified, vacated, or terminated by the director or his or her authorized representative. The cessation order shall expire within thirty (30) days of actual notice to the operator unless an informal hearing is held in accordance with ~~regulations~~ rules issued by the commission at the site or within such reasonable proximity to the site that any viewings of the site can be conducted during the course of public hearing.

SECTION 1197. Arkansas Code § 15-58-303(a), concerning an order to show cause for pattern violations issued by the Arkansas Department of Environmental Quality, is amended to read as follows:

(a) On the basis of an inspection, if the Director of the Arkansas Department of Environmental Quality or his or her authorized agent has reason to believe that a pattern of violations of any requirements of this chapter or the ~~regulations~~ rules issued pursuant to this chapter or any permit conditions required by this chapter or by the ~~regulations~~ rules issued pursuant to this chapter exists or has existed and if the director or his or her authorized agent also finds that these violations are caused by the unwarranted failure of the permittee to comply with requirements of this chapter or permit conditions or that the violations are willfully caused by the permittee, the director or his or her authorized agent shall issue to the permittee forthwith an order to show cause as to why the permit should not be suspended or revoked in accordance with the procedures set out in ~~regulations~~

rules issued by the Arkansas Pollution Control and Ecology Commission pursuant to this chapter.

SECTION 1198. Arkansas Code § 15-58-304 is amended to read as follows:

15-58-304. Violating a condition of a permit or order — Criminal penalties.

(a) Any person who willfully and knowingly violates a condition of a permit issued under this chapter or fails or refuses to comply with an order authorized by §§ 15-58-301 — 15-58-303 or any order incorporated in a final decision issued by the Arkansas Pollution Control and Ecology Commission or its authorized representative pursuant to this chapter and the ~~regulations~~ rules issued pursuant to this chapter or any person engaging in surface coal mining operations without a permit issued under this chapter shall be guilty of a misdemeanor and may be upon conviction punished by a criminal penalty of not more than ten thousand dollars ($10,000) or by imprisonment for not more than one (1) year, or by both. Each day during which violation or noncompliance exists shall be deemed to be a separate violation.

(b) If a corporate permittee violates a condition of a permit issued under this chapter or fails or refuses to comply with an order issued pursuant to §§ 15-58-301 — 15-58-303 or any order incorporated in a final decision issued by the commission or its authorized representative pursuant to this chapter and the ~~regulations~~ rules issued pursuant to this chapter, a director, officer, or agent of the corporation who willfully and knowingly authorized, ordered, or carried out the violation, failure, or refusal shall be guilty of a misdemeanor and upon conviction may be punished by a criminal penalty of not more than ten thousand dollars ($10,000) or by imprisonment for not more than one (1) year or by both. Each day during which the violation or noncompliance exists shall be deemed to be a separate violation.

SECTION 1199. Arkansas Code § 15-58-307(a), concerning penalties issued by the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(a) Any person who violates any permit condition or who violates any other provision of this chapter or the ~~regulations~~ rules issued pursuant to this chapter may in accordance with the ~~regulations~~ rules issued by the Arkansas Pollution Control and Ecology Commission be assessed a civil penalty

by the commission, except that if such violation leads to the issuance of a cessation order, the civil penalty shall be assessed. The penalty shall not exceed five thousand dollars ($5,000) for each violation and shall be based on a schedule which the commission shall issue by ~~regulation~~ rule. Each day of continuing violation may be deemed a separate violation for purposes of penalty assessments.

SECTION 1200. Arkansas Code § 15-58-307(c), concerning penalties generally issued by the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(c) Any operator who fails to complete the corrective measures designated in a notice of violation or a cessation order within the period designated for correction, which period shall not end until the entry of a final order by the commission if administrative review proceedings are initiated, and the presiding officer orders, after an expedited hearing, the suspension of the abatement requirements of the citation after determining that the operator will suffer irreparable loss or damage from the application of those requirements, or until the entry of a final order of the circuit court, in the case of any judicial review proceedings wherein the court orders suspension of the abatement requirements of the citation, shall, in accordance with ~~regulations~~ rules issued by the commission, be assessed a civil penalty of not less than seven hundred fifty dollars ($750) for each day during which such failure continues.

SECTION 1201. Arkansas Code § 15-58-308(b), concerning requesting the Attorney General to institute civil actions and injunctions on behalf of the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(b) The civil action may be instituted whenever the person or his or her agent:

(1) Violates or fails or refuses to comply with any order or decision issued by the director or his or her authorized representative under this chapter or under the ~~regulations~~ rules issued pursuant to this chapter;

(2) Interferes with, hinders, or delays the director or his or her authorized representatives in carrying out the provisions of this chapter or the ~~regulations~~ rules issued pursuant to this chapter;

(3) Refuses to permit inspection of the mine by the authorized representative;

(4) Refuses to furnish any information or report requested by the director in furtherance of the provisions of this chapter or the ~~regulations~~ rules issued pursuant to this chapter; or

(5) Refuses to permit access to, and copying of, records the director determines necessary to carry out the provisions of this chapter or the ~~regulations~~ rules issued pursuant to this chapter.

SECTION 1202. Arkansas Code § 15-58-309(a), concerning a private right of action under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(a) Any person having an interest which is or may be adversely affected may commence a civil action on his or her own behalf to compel compliance with this chapter or the ~~regulations~~ rules issued pursuant to this chapter:

(1) Against the State of Arkansas or any other state instrumentality or agency which is alleged to be in violation of the provisions of this chapter or of any rule, ~~regulation,~~ order, or permit issued pursuant thereto, or against any other person who is alleged to be in violation of any rule, ~~regulation,~~ order, or permit issued pursuant to this chapter; or

(2) Against the Director of the Arkansas Department of Environmental Quality or the Arkansas Pollution Control and Ecology Commission where there is alleged a failure of the director or the commission to perform any act or duty under this chapter which is not discretionary with the director or with the commission.

SECTION 1203. Arkansas Code § 15-58-309(b)(1)(B), concerning a private right of action under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(B) If the director has commenced and is diligently prosecuting a civil action to require compliance with the provisions of this chapter, or any rule, ~~regulation,~~ order, or permit issued pursuant to this chapter, but in any such action any person may intervene as a matter of right; or

SECTION 1204. Arkansas Code § 15-58-309(b)(2), concerning a private right of action under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(2) Under subdivision (a)(2) of this section prior to sixty (60) days after the plaintiff has given notice in writing of the action to the director in such manner as the commission shall by ~~regulation~~ rule prescribe, or to the commission, except that the action may be brought immediately after notification in the case where the violation or order complained of constitutes an imminent threat to the health or safety of the plaintiff or would immediately affect a legal interest of the plaintiff.

SECTION 1205. Arkansas Code § 15-58-309(c)(1), concerning a private right of action under the Arkansas Surface Coal Mining and Reclamation Act, is amended to read as follows:

(c)(1) Any action respecting a violation of this chapter or the ~~regulations~~ rules thereunder may be brought only in the Pulaski County Circuit Court if the action is filed against the State of Arkansas, the commission, the director, or any other state instrumentality or agency, and in Pulaski County or in the county in which the greater part of the surface coal mining operation complained of is located if the action is filed against any other person.

SECTION 1206. Arkansas Code § 15-58-309(e) and (f), concerning a private right of action under the Arkansas Surface Coal Mining and Reclamation Act, are amended to read as follows:

(e) Nothing in this section shall restrict any right which any person or class of persons may have under any statute or common law to seek enforcement of any of the provisions of this chapter and the ~~regulations~~ rules thereunder or to seek any other relief, including relief against the director, the commission, or the department.

(f) Any person who is injured in his or her person or property through the violation by any operation of any rule, ~~regulation,~~ order, or permit issued pursuant to this chapter may bring an action for damages, including reasonable attorney and expert witness fees only in the judicial district in which the surface coal mining operation complained of is located. Nothing in

this subsection shall affect the rights established by or limits imposed under the Workers' Compensation Law, § 11-9-101 et seq.

SECTION 1207. Arkansas Code § 15-58-404(c)(2)(A), concerning the abatement of adverse effects determination by the Director of the Arkansas Department of Environmental Quality, is amended to read as follows:

(2)(A) The lien under subdivision (c)(1) of this section is effective upon the filing by the director of a notice of lien with the circuit clerk of the county in which the land is located and in accordance with the ~~regulations~~ rules issued by the Arkansas Pollution Control and Ecology Commission.

SECTION 1208. Arkansas Code § 15-58-404(d)(2), concerning the abatement of adverse effects determination by the Director of the Arkansas Department of Environmental Quality, is amended to read as follows:

(2) The commission by ~~regulations~~ rule shall establish procedures for determining the amount of the lien.

SECTION 1209. Arkansas Code § 15-58-407(b), concerning the use of acquired lands through an approved state abandoned mine reclamation program, is amended to read as follows:

(b) The hearing shall be held in accordance with procedures established by the commission through ~~regulations~~ rules and at a time which shall afford local citizens and governments the maximum opportunity to participate in the decision concerning the use or disposition of the lands after restoration, reclamation, abatement, control, or prevention of the adverse effects of past coal mining practices.

SECTION 1210. Arkansas Code § 15-58-501(a), concerning the designation of land as unsuitable by the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(a) The Arkansas Pollution Control and Ecology Commission shall issue ~~regulations~~ rules that adopt appropriate procedures for identifying and designating land in this state as unsuitable for all or certain types of surface mining, which ~~regulations~~ rules shall:

(1) Prevent surface coal mining operations on those lands upon

which surface coal mining operations are prohibited by Public Law 95-87;

(2) Adopt a procedure for development of a database and inventory system which will permit proper evaluation of the capacity of different land areas of this state to support and permit reclamation of surface coal mining operations and which includes methods for integrating and implementing federal, state, and local land use planning decisions;

(3) Integrate into the procedure as closely as possible present and future land use planning and regulation processes at the federal, state, and local levels; and

(4) Provide that any person having an interest which is or may be adversely affected may petition the commission to have an area designated as unsuitable for all or certain types of surface coal mining operations or to have a designation terminated. Within ten (10) months after the filing of the petition, the commission shall hold a public hearing in accordance with §§ 15-58-207 and 15-58-208.

SECTION 1211. Arkansas Code § 15-58-502(b), concerning the necessity of a permit from the Arkansas Department of Environmental Quality for surface coal mining, is amended to read as follows:

(b) No person shall engage in or carry out on lands within the state any surface coal mining operations unless that person has first obtained a permit issued by the Director of the Arkansas Department of Environmental Quality pursuant to this chapter and in accordance with the ~~regulations~~ rules issued pursuant to this chapter.

SECTION 1212. Arkansas Code § 15-58-503 is amended to read as follows:

15-58-503. ~~Regulations~~ Rules generally.

(a)(1) The Arkansas Pollution Control and Ecology Commission shall issue ~~regulations~~ rules as are required pursuant to the state program requirements of the Surface Mining Control and Reclamation Act of 1977, Pub. L. No. 95-87, designating the required information, the criteria, and the procedures for submitting, processing, and issuing or denying initial or revised applications for permits and renewals thereof to conduct surface coal mining and reclamation operations in this state.

(2) The ~~regulations~~ rules shall require inclusion of all the documents, permits, notices, maps, reports, schedules, test results,

reclamation and blasting plans, bonds, insurance certificates, and other information as is reasonably necessary to process the application, to ensure compliance with the provisions of this chapter and the ~~regulations~~ rules issued pursuant to this chapter and to meet the state program requirements.

(3)(A) The ~~regulations~~ rules shall specifically provide that all applications shall include a determination of the probable hydrologic consequences of the mining and reclamation operations, both on and off the mine site, with respect to the hydrologic regime, quantity, and quality of water in surface and groundwater systems, including the dissolved and suspended solids under seasonal flow conditions and the collection of sufficient data for the mine site and surrounding surface areas so that an assessment can be made by the Director of the Arkansas Department of Environmental Quality of the probable cumulative impacts of all anticipated mining in the area upon the hydrology of the area and particularly upon water availability. However, this determination shall not be required until hydrologic information on the general area prior to mining is made available from an appropriate federal or state agency. The permit shall not be approved until the information is available and is incorporated into the application.

(B) The costs of the following activities, which shall be performed by a qualified public or private laboratory or other public or private qualified entity designated by the Arkansas Department of Environmental Quality shall be borne, upon written request of the small operator, by the department in accordance with ~~regulations~~ rules issued by the commission:

(i) The determination of the probable hydrologic consequences required by this subdivision (a)(2), including the engineering analysis and designs necessary for the determination;

(ii) The development of cross-sections, maps, and plans of land to be affected by an application for a surface coal mining and reclamation permit which shall be prepared by or under the direction of a qualified registered professional engineer or geologist with assistance from experts in related fields such as land surveying and landscape architecture, showing pertinent elevation and location of test borings or core samplings and depicting the following information:

(a) The nature and depth of the various strata of overburden;

(b) The location of subsurface water, if encountered, and its quality;

(c) The nature and thickness of any coal or rider seam above the coal seam to be mined;

(d) The nature of the stratum immediately below the coal seam to be mined;

(e) All mineral crop lines and the strike and dip of the coal to be mined, within the area of the land to be affected;

(f) Existing or previous surface mining limits;

(g) The location and extent of known workings of any underground mines, including mine openings to the surface;

(h) The location of aquifers;

(i) The estimated elevation of the water table;

(j) The location of spoil, waste, or refuse areas and topsoil preservation areas;

(k) The locations of all impoundments for waste or erosion control;

(l) Any settling or water treatment facility;

(m) Constructed or natural drainways and the location of any discharges to any surface body of water on the area of land to be affected or adjacent thereto; and

(n) Profiles at appropriate cross-sections of the anticipated final surface configuration that will be achieved pursuant to the operator's proposed reclamation plan;

(iii) The geologic drilling and a statement of the result of the test borings or core samplings from the permit area, including:

(a) Logs of the drill holes;

(b) The thickness of the coal seam found, and an analysis of the chemical properties of the coal;

(c) The sulfur content of any coal seam;

(d) Chemical analysis of potentially acid or toxic-forming sections of the overburden; and

(e) Chemical analysis of the stratum lying immediately underneath the coal to be mined,

except that the provisions of this subdivision (a)(2)(B)(iii) may be waived by the director with respect to the specific application by a written determination that such requirements are unnecessary;

(iv) The collection of archeological information and any other historical information sufficient to prepare accurate maps to an appropriate scale clearly showing all man-made features and significant known archeological sites existing on the date of application, and the preparation of plans necessitated thereby;

(v) Preblast surveys, as requested by a resident or owner of a man-made dwelling or structure within one-half (½) mile of any portion of the permitted area. The applicant or permittee shall conduct the preblast survey of such structures and submit the survey to the director and a copy to the resident or owner making the request;

(vi) The collection of site-specific resource information and production of protection and enhancement plans for fish and wildlife habitats and other environmental values required by the director under this chapter; and

(vii) The department shall provide or assume the cost of training small operators concerning the preparation of permit applications and compliance with the regulatory program and shall ensure that small operators are aware of the assistance available under this subdivision (a)(2).

(C) A coal operator that has received assistance pursuant to this subdivision (a)(2) shall reimburse the department for the cost of the services rendered if the director finds that the operator's actual and attributed annual production of coal for all locations exceeds three hundred thousand (300,000) tons during the twelve (12) months immediately following the date on which the operator is issued the surface coal mining and reclamation permit.

(4) The ~~regulations~~ rules shall provide that no initial or revised permit will be approved unless the application affirmatively demonstrates and the director finds in writing on the basis of the information set forth in the application or from information otherwise available which will be documented in the approval and made available to the applicants, that:

(A) The permit application is accurate and complete and

that all the requirements of this chapter and the ~~regulations~~ rules issued pursuant to this chapter have been complied with;

(B) The applicant has demonstrated that reclamation as required by this chapter and the ~~regulations~~ rules issued pursuant to this chapter can be accomplished under the reclamation plan contained in the permit application;

(C) The assessment of the probable cumulative impact of all anticipated mining in the area on the hydrologic balance specified in subdivision (a)(2) of this section has been made by the director and the proposed operation thereof has been designed to prevent material damage to the hydrologic balance outside the permit area;

(D) The area proposed to be mined is not included within an area designated unsuitable for surface coal mining pursuant to § 15-58-501 or is not within an area under study for the designation in an administrative proceeding commenced pursuant to §§ 15-58-207 and 15-58-208;

(E) Any violation of this chapter or the ~~regulations~~ rules issued pursuant to this chapter or any law, rule, or regulation of this state, the United States, or agencies of this state or the United States pertaining to air or water environmental protection incurred by the applicant in connection with any surface coal mining operation during the three-year period prior to the date of application has been corrected or is in the process of being corrected to the satisfaction of the director, department, or agency which has jurisdiction over the violation. No permit shall be issued to an applicant after a finding by the director after opportunity for hearing that the applicant, or the operator specified in the application, controls or has controlled mining operations with a demonstrated pattern of willful violations of this chapter or the ~~regulations~~ rules issued pursuant to this chapter of a nature and duration with resulting irreparable damage to the environment as to indicate an intent not to comply with the provisions of this chapter or the ~~regulations~~ rules issued pursuant to this chapter;

(F) If the area proposed to be mined contains prime farmland, the operator has the technological capability to restore the mined area, within a reasonable time to equivalent or higher levels of yield as nonmined prime farmland in the surrounding area under equivalent levels of management and can meet the soil reconstruction standards established by the commission by ~~regulation~~ rule;

(G) After March 1, 1995, the prohibition of subdivision (a)(3)(E) of this section shall not apply to a permit application due to any violation resulting from an unanticipated event or condition at a surface coal mining operation on lands eligible for remining under a permit held by the person making the application. As used in this subdivision (a)(3)(G), the term "violation" has the same meaning as the term has under subdivision (a)(3)(E) of this section.

(5) The ~~regulations~~ rules shall provide that all permits shall be issued for a term not to exceed five (5) years unless the applicant demonstrates that a specified longer term is reasonably needed to allow the applicant to obtain necessary financing for equipment and the opening of operation.

(6) The ~~regulations~~ rules shall provide that any extensions to the area covered by the permit except incidental boundary revisions must be made by application for another permit.

(7) The ~~regulations~~ rules shall provide that no transfer, assignment, or sale of the rights granted under any permit issued under this chapter shall be made without the written approval of the director. However, the commission may issue ~~regulations~~ rules providing for a review of outstanding permits, and the director may, in accordance with the ~~regulations~~ rules, and based upon written findings after notice and public hearing, require reasonable revisions or modifications of the permit during the term of the permit.

(b) The commission shall develop by ~~regulation~~ rule procedures for coordinating the issuance of permits required by federal, state, and local agencies for surface coal mining operations.

(c) The commission shall issue ~~regulations~~ rules to protect confidential information which is submitted to the department as part of a permit application or pursuant to the coal exploration requirements.

SECTION 1213. Arkansas Code § 15-58-504 is amended to read as follows:

15-58-504. Exploration operations.

(a) Coal exploration operations which substantially disturb the natural land surface shall be conducted in accordance with coal exploration ~~regulations~~ rules issued by the Arkansas Pollution Control and Ecology Commission.

(b) Coal exploration ~~regulations~~ rules shall provide, at a minimum, that prior to conducting any exploration under this subchapter, any person must file with the Arkansas Department of Environmental Quality notice of intention to explore, and that no operator shall remove more than two hundred fifty (250) tons of coal pursuant to an exploration permit without the specific written approval of the department.

(c) Coal exploration operations which substantially disturb the natural land surface in violation of this chapter or in violation of the ~~regulations~~ rules issued pursuant to this chapter shall be subject to the civil and criminal penalties and enforcement provisions of this chapter.

SECTION 1214. Arkansas Code § 15-58-505 is amended to read as follows:

15-58-505. Filing objections to permits.

Any person having an interest which is or may be adversely affected, or the officer or head of any federal, state, or local affected governmental agency may, in accordance with §§ 15-58-207 and 15-58-208 and the ~~regulations~~ rules promulgated by the Arkansas Pollution Control and Ecology Commission, file written objections to a proposed initial or revised permit for surface coal mining and reclamation operations, or renewal thereof.

SECTION 1215. Arkansas Code § 15-58-506(a)(2), concerning permit renewal under the Arkansas Surface and Coal Mining and Reclamation Act, is amended to read as follows:

(2) The present surface coal mining and reclamation operation is not in compliance with the environmental protection standards of this chapter and the ~~regulations~~ rules issued pursuant to this chapter;

SECTION 1216. Arkansas Code § 15-58-508(a), concerning the fees for the Surface Coal Mining Operation Fund, is amended to read as follows:

(a) Each application for a surface coal mining permit or renewal of that permit shall be accompanied by an initial application fee as determined by the Director of the Arkansas Department of Environmental Quality in accordance with a fee schedule which the Arkansas Pollution Control and Ecology Commission shall develop and issue by ~~regulations~~ rules.

SECTION 1217. Arkansas Code § 15-58-509(a), concerning performance

bonds under the Arkansas Surface and Coal Mining and Reclamation Act, is amended to read as follows:

(a) After a surface coal mining and reclamation permit application has been approved but before the permit is issued, the applicant shall file a bond with the Arkansas Department of Environmental Quality. This bond shall be on a form furnished by the department in accordance with the ~~regulations~~ rules issued by the Arkansas Pollution Control and Ecology Commission. It shall be for performance or acceptable alternative payable, as appropriate, to the department of and conditioned upon faithful performance of all the requirements of this chapter, the ~~regulations~~ rules issued pursuant to this chapter, and the permit.

SECTION 1218. Arkansas Code § 15-58-509(c) and (d), concerning performance bonds under the Arkansas Surface and Coal Mining and Reclamation Act, are amended to read as follows:

(c) The ~~regulations~~ rules shall include provisions for posting a bond sufficient to cover that area of land within the permit area upon which the operator will initiate and conduct surface coal mining and reclamation operations within the initial term of the permit and for filing additional bonds to cover succeeding increments of area within the permit upon which the operator intends to conduct surface coal mining and reclamation operations.

(d) Liability under the bond shall be for the duration of the surface coal mining and reclamation operation and for that period required to establish successful revegetation in accordance with the ~~regulations~~ rules issued by the commission.

SECTION 1219. Arkansas Code § 15-58-509(f), concerning performance bonds under the Arkansas Surface and Coal Mining and Reclamation Act, is amended to read as follows:

(f) The commission shall issue ~~regulations~~ rules setting out the criteria and procedures for processing requests for the release of all or any part of a performance bond provided that no bond shall be fully released until all reclamation requirements of this chapter and the ~~regulations~~ rules issued pursuant to this chapter are fully met. ~~Regulations~~ Rules shall include provisions for public notice of all requests for full or partial releases, an inspection and evaluation of the reclamation work, and a

schedule for partial releases.

SECTION 1220. Arkansas Code § 15-58-510 is amended to read as follows:

15-58-510. Environmental protection performance standards.

(a) Any permit issued pursuant to this chapter to conduct surface coal mining operations and any authorization to conduct coal exploration operations shall require that operations will meet all applicable performance standards of this chapter and the ~~regulations~~ rules issued pursuant to this chapter.

(b) The commission shall issue ~~regulations~~ rules which are consistent with and in accordance with, but no more restrictive than, all the applicable environmental protection performance standards found in Public Law 95-87 and in the regulations issued pursuant to Public Law 95-87.

(c) The commission shall issue ~~regulations~~ rules requiring the training, examination, and certification of persons engaging in or directly responsible for blasting or use of explosives in surface coal mining operations.

(d) All departures, variances, and exceptions from the performance standards which are provided in Public Law 95-87 and in the regulations issued pursuant to that chapter and other departures, variances, and exceptions which may be granted through a state program shall be provided for in the ~~regulations~~ rules issued by the commission pursuant to this chapter. The departures, variances, and exceptions provided for in Public Law 95-87 and in the regulations issued pursuant to that law shall be granted or allowed upon a showing of the same circumstances and conditions required in Public Law 95-87 or in the regulations issued pursuant to that law.

SECTION 1221. Arkansas Code § 15-71-103(d), concerning the organization of the Oil and Gas Commission, is amended to read as follows:

(d)(1) A majority of the commission shall constitute a quorum, and a majority of those voting for and against the adoption or promulgation of any rule~~, regulation,~~ or order shall be necessary for the adoption or promulgation of the rule~~, regulation,~~ or order.

(2) However, in no event shall any rule~~, regulation,~~ or order be adopted or promulgated without receiving at least five (5) affirmative votes.

SECTION 1222. Arkansas Code § 15-71-105(c)(5)(B), concerning the duties and powers of the Director of Production and Conservation of the Oil and Gas Commission, is amended to read as follows:

(B) An order~~,~~ or rule~~, or regulation~~ issued by the commission;

SECTION 1223. Arkansas Code § 15-71-105(c)(7), concerning the duties and powers of the Director of Production and Conservation of the Oil and Gas Commission, is amended to read as follows:

(7) Perform any other duty or act required or authorized by law or the rules~~, regulations,~~ or orders of the commission.

SECTION 1224. The introductory language of Arkansas Code § 15-71-110(d), concerning the powers, duties, and rules of the Oil and Gas Commission, is amended to read as follows:

(d) After hearing and notice as provided in this act, the commission may make such reasonable rules~~, regulations,~~ and orders as are necessary from time to time in the proper administration and enforcement of this act, including rules~~, regulations,~~ or orders for the following purposes:

SECTION 1225. Arkansas Code § 15-71-110(d)(14)(B), concerning the powers, duties, and rules of the Oil and Gas Commission, is amended to read as follows:

(B) To require that casing and cementing of supply wells and injection wells be done in accordance with such rules ~~and regulations~~ as may be promulgated by the commission;

SECTION 1226. Arkansas Code § 15-71-111(c), concerning the procedural rules, orders, and hearings of the Oil and Gas Commission, is amended to read as follows:

(c)(1) In the event an emergency is found to exist by the commission which in its judgment requires the making, changing, renewal, or extension of a rule~~, regulation,~~ or order without first having a hearing, the emergency rule~~, regulation,~~ or order shall have the same validity as if a hearing with respect to that rule~~, regulation,~~ or order had been held after due notice.

(2) The emergency rule~~, regulation,~~ or order permitted by this

subsection is effective until the date of the next regular commission hearing set to be held after the emergency rule~~, regulation,~~ or order was issued.

(3) In any event, it shall expire when the rule~~, regulation,~~ or order made after due notice and hearing with respect to the subject matter of the emergency rule~~, regulation,~~ or order becomes effective.

SECTION 1227. Arkansas Code § 15-71-111(e), concerning the procedural rules, orders, and hearings of the Oil and Gas Commission, is amended to read as follows:

(e) All rules~~, regulations,~~ and orders made by the commission shall be in writing and shall be entered in full by the Director of Production and Conservation in a book to be kept for such purpose by the commission. This book shall be a public record and shall be open to inspection at all times during reasonable office hours. A copy of the rule~~, regulation,~~ or order, certified by the director, shall be received in evidence in all courts of this state with the same effect as the original.

SECTION 1228. Arkansas Code § 15-71-113(b), concerning the authority of the Oil and Gas Commission to acquire and maintain unmarked cars, is amended to read as follows:

(b) Since marked cars sometimes prove a hindrance to the commission in carrying out its inspection, investigation, and enforcement responsibilities, the commission is exempted from any and all laws and administrative ~~regulations~~ rules regarding special registration tags and special decals for state-owned vehicles.

SECTION 1229. Arkansas Code § 15-71-114(a)(2)(B), concerning the permit required for field seismic operations from the Oil and Gas Commission, is amended to read as follows:

(B) The application shall include the name and principal business address of the applicant, the location in the state where the applicant plans to conduct field seismic operations, a designated agent for service of process in Arkansas, and such other information as may be prescribed by ~~regulation~~ rule of the commission.

SECTION 1230. Arkansas Code § 15-71-114(a)(3)(D)(ii), concerning the

permit required for field seismic operations from the Oil and Gas Commission, is amended to read as follows:

(ii) However, the claim shall be subordinate to the rights of the commission under the financial assurance to secure compliance by the permittee with the provisions of this section and the rules ~~and regulations~~ of the commission promulgated under this section.

SECTION 1231. Arkansas Code § 15-71-114(b), concerning the permit required for field seismic operations from the Oil and Gas Commission, is amended to read as follows:

(b) The commission shall have authority to make such reasonable rules~~,~~ ~~regulations,~~ and orders as necessary from time to time for the proper administration and enforcement of this section and to require the payment of a registration fee of two hundred fifty dollars ($250) or such sum as the commission may prescribe for each application for registration filed under this section. However, in no event shall the fee exceed five hundred dollars ($500).

SECTION 1232. Arkansas Code § 15-71-114(d), concerning the permit required for field seismic operations from the Oil and Gas Commission, is amended to read as follows:

(d)(1) Any person who conducts any field seismic operation in the state without having obtained a permit under this section or without having fully complied with the provisions of this section or any rules ~~and regulations~~ adopted by the commission under this section is subject to a civil penalty of two thousand five hundred dollars ($2,500) for each day the operation continues.

(2) Any person who, for the purpose of evading this section or any rule~~, regulation,~~ or order made under this section, intentionally makes or causes to be made any false entry or statement of fact in any application report required to be made by this section or by any rule~~, regulation,~~ or order made under this section, or who, for such a purpose, omits to make or causes to be omitted, any entry, statement of fact, or report required to be made by this section or any rule~~, regulation,~~ or order made under this section, or who, for such a purpose, moves out of the jurisdiction of the state, shall be guilty of a misdemeanor and shall be subject to a fine of not

more than five thousand dollars ($5,000) or imprisonment for a term of not more than six (6) months, or to both such fine and imprisonment.

SECTION 1233. Arkansas Code § 15-71-117(c)(1), concerning an exploration and production fluid transportation system and natural gas pipeline system operator fees, is amended to read as follows:

(c)(1) Each application for a hearing shall be accompanied by a fee as determined by the commission in an amount up to two dollars ($2.00) for each person whose address is provided by the applicant and the applicant has identified in the application or requested to receive a copy of the order from the hearing under the Oil and Gas Commission's General Rules ~~and Regulations~~ Rule A-2(a)(5).

SECTION 1234. Arkansas Code § 15-72-102(4), concerning the definition of "illegal gas" under the statutes addressing oil and gas production and conservation, is amended to read as follows:

(4) "Illegal gas" means gas which has been produced within the State of Arkansas from any well during any time that that well has produced in excess of the amount allowed by any rule~~, regulation,~~ or order of the commission, as distinguished from gas produced within the State of Arkansas from a well not producing in excess of the amount so allowed, which is "legal gas";

SECTION 1235. Arkansas Code § 15-72-102(5), concerning the definition of "illegal oil" under the statutes addressing oil and gas production and conservation, is amended to read as follows:

(5) "Illegal oil" means oil which has been produced within the State of Arkansas from any well during any time that that well has produced in excess of the amount allowed by rule~~, regulation,~~ or order of the commission, as distinguished from oil produced within the State of Arkansas from a well not producing in excess of the amount so allowed, which is "legal oil";

SECTION 1236. Arkansas Code § 15-72-103(a)(1)(B), concerning penalties under the statutes addressing oil and gas production and conservation, is amended to read as follows:

(B) A person who transports a liquid or other substance and violates a rule~~, regulation,~~ or order of the commission by dumping or disposing of the liquid or other substance improperly or without authorization at a well or well site is subject to a penalty not to exceed one hundred thousand dollars ($100,000) for each violation.

SECTION 1237. Arkansas Code § 15-72-103(c), concerning penalties under the statutes addressing oil and gas production and conservation, is amended to read as follows:

(c) Any person knowingly and willfully aiding or abetting any other person in the violation of any statute of this state relating to the conservation of oil or gas, or the violation of any provision of this act, or any rule~~, regulation,~~ or order made thereunder shall be subject to the same penalties as are prescribed herein for the violation by the other person.

SECTION 1238. Arkansas Code § 15-72-104(a), concerning willful violation of the Safe Drinking Water Act and falsifying or failing to keep records, is amended to read as follows:

(a) Any person shall be deemed guilty of a misdemeanor and shall be subject, upon conviction in any court of competent jurisdiction, to a fine of not more than five thousand dollars ($5,000), or to imprisonment for a term of not more than six (6) months, or to both fine and imprisonment if that person, for the purpose of evading this act, or of evading any rule~~, regulation,~~ or order made hereunder:

(1) Shall intentionally make or cause to be made any false entry or statement of fact in any report required to be made by this act or by any rule~~, regulation,~~ or order made hereunder;

(2) Shall make or cause to be made any false entry in any account, record, or memorandum kept by any person in connection with the provisions of this act or of any rule~~, regulation,~~ or order made hereunder;

(3) Shall omit to make, or cause to be omitted, full, true, and correct entries in the accounts, records, or memoranda, of all facts and transactions pertaining to the interest or activities in the petroleum industry of that person as may be required by the commission under authority given in this act or by any rule~~, regulation,~~ or order made hereunder;

(4) Shall remove out of the jurisdiction of the state or shall

mutilate, alter, or by any other means falsify any book, record, or other paper pertaining to the transactions regulated by this act, or by any rule~~, regulation,~~ or order made hereunder.

SECTION 1239. Arkansas Code § 15-72-106(a), concerning an injunction and a court review by an aggrieved person against the Oil and Gas Commission, is amended to read as follows:

(a) Any interested person adversely affected by any statute of this state with respect to conservation of oil or gas, or both; by any provisions of this act; by any rule~~, regulation,~~ or order made by the Oil and Gas Commission hereunder; or by any act done or threatened hereunder, and who has exhausted his or her administrative remedy, may obtain court review and seek relief by a suit for injunction against the commission as defendant or against the members of the commission by suit in the circuit court of the county in which the property involved is located.

SECTION 1240. Arkansas Code § 15-72-106(d) and (e), concerning an injunction and a court review by an aggrieved person against the Oil and Gas Commission, are amended to read as follows:

(d) The statute, provision of this act, or the rule~~, regulation,~~ or order complained of shall be taken as prima facie valid, and such presumption shall not be overcome in connection with any application for injunctive relief, including temporary restraining order, by verified bill or affidavit of or in behalf of the applicant.

(e) The right of review accorded by this section shall be inclusive of all other remedies, but the right of appeal shall lie as hereinafter set forth.

SECTION 1241. Arkansas Code § 15-72-107(a), concerning notice as a prerequisite to a temporary order or injunction against the Oil and Gas Commission, is amended to read as follows:

(a) No temporary restraining order or injunction of any kind shall be granted against the commission or members thereof, or against the Attorney General, or against any agent, employee, or representative of the Oil and Gas Commission, restraining the commission or any of its members, agents, employees, or representatives, or the Attorney General from enforcing any

statute of this state or any rule~~, regulation,~~ or order made thereunder except after three (3) days' notice served upon some person in the principal office of the commission of the time, place, and court before which application for the order shall be made.

SECTION 1242. Arkansas Code § 15-72-108(a), concerning injunctions for enforcement regarding the violation of any statute regarding the conservation of oil or gas, is amended to read as follows:

(a) Whenever it shall appear that any person is violating, or threatening to violate, any statute of this state with respect to the conservation of oil or gas, or both, or any provision of this act, or any rule~~, regulation,~~ or order made thereunder by any act done in the operation of any well producing oil or gas or by omitting any act required to be done thereunder, the Oil and Gas Commission through its counsel or the Attorney General may bring suit against that person in the circuit court in the county in which the well in question is located, to restrain the person from continuing the violation or from carrying out the threat of violation.

SECTION 1243. Arkansas Code § 15-72-110 is amended to read as follows:

15-72-110. Appeals.

In all proceedings brought under authority of this act, of any oil or gas conservation statute of this state, or of any rule~~, regulation,~~ or order issued thereunder and in all proceedings instituted for the purpose of contesting the validity of any provision of the act, of any oil or gas conservation statute, or of any rule~~, regulation,~~ or order issued thereunder, appeals may be taken in accordance with the general laws of the State of Arkansas relating to appeals. However, in all appeals from judgments or decrees in suits to contest the validity of any provision of this act, or any rule ~~or regulation~~ of the Oil and Gas Commission hereunder, the appeals when docketed in the Supreme Court shall take precedence over other cases on the docket of that court and may be advanced as that court may order and direct.

SECTION 1244. Arkansas Code § 15-72-203(c)(2) and (3), concerning notice to a surface owner as a prerequisite to exploring or drilling, are amended to read as follows:

(2) The Oil and Gas Commission shall promulgate rules~~,~~

~~regulations,~~ and orders consistent with this section to require an operator intending to conduct shale operations to provide a single enhanced written notice as described in subdivision (c)(3) of this section in lieu of the written notice required under subsection (a) of this section.

(3) The rules~~, regulations,~~ and orders of the commission shall require the enhanced written notice to:

(A) Describe:

(i) The proposed shale operations; and

(ii) The location of the proposed well and the pad location, including the section, township, range, and plat of the pad location, if available;

(B) Be given to the surface owner at least fourteen (14) days before the operator proposes to begin shale operations on the surface owner's property;

(C) Contain a statement that the operator has a pending or approved drilling permit for the proposed shale operations on the surface owner's property and that the permit shall be available for inspection by the surface owner on request by the surface owner;

(D) Contain the name, address, telephone number, fax number, and electronic mailing address of the operator or the operator's agent; and

(E) Be sent by certified United States mail or delivered personally to the surface owner at the address of the surface owner stated in the public records of the county collector of the county in which the surface owner's property is located.

SECTION 1245. Arkansas Code § 15-72-214(b), concerning a surface owner's claim for damages caused by operator neglect, is amended to read as follows:

(b) Any surface owner seeking to recover thereunder for damages caused by the neglect of the operator must file written notice of claim therefor with the commission within one (1) year of the date of issuance of the permit for such drilling operations. However, that claim shall be subordinate to the rights of the commission under the proof of financial responsibility to secure compliance by the operator with the provisions of §§ 15-71-101 — 15-71-112, 15-72-101 — 15-72-110, 15-72-205, 15-72-212, 15-72-216, 15-72-301 —

15-72-324, and 15-72-401 — 15-72-407, as amended, and the rules ~~and regulations~~ of the commission promulgated thereunder.

SECTION 1246. Arkansas Code § 15-72-216(a), concerning the requirement that dry or abandoned wells be plugged and a notice of abandonment provided to the Oil and Gas Commission, is amended to read as follows:

(a) Each abandoned well and each dry hole promptly shall be plugged in the manner and within the time required by ~~regulations~~ rules to be prescribed by the Oil and Gas Commission. The owner of the well shall give notice upon a form the commission may prescribe of the drilling of each dry hole and of the owner's intention to abandon.

SECTION 1247. Arkansas Code § 15-72-219(b)-(d), concerning compensation of surface owners and surface tenants for damages for the restoration of land, are amended to read as follows:

(b) In addition to any compensation or damages paid by the operator under subsection (a) of this section, the operator shall restore the damaged land in accordance with all applicable rules ~~and regulations~~ of the:

(1) Arkansas Department of Environmental Quality; or

(2) Oil and Gas Commission.

(c) Any rules ~~or regulations~~ adopted by the department or the commission pertaining to spills of crude oil or produced water shall:

(1) Provide, as nearly as practicable, for remediation of any spill of crude oil or produced water to the condition of the real property before the spill; and

(2) Specify a reasonable time frame for commencing and completing remediation of any spill of crude oil or produced water to the condition of the real property before the spill.

(d) If the party responsible for damage to real property caused by a spill of crude oil or produced water fails to restore the real property in accordance with applicable rules ~~and regulations~~, then the surface owner or surface tenant may bring an action for restoration or remediation:

(1) In that action, if the surface owner or surface tenant proves by a preponderance of the evidence that the party responsible for the damage has failed to restore and remediate the real property, then the surface owner or surface tenant is entitled to an order requiring restoration

or remediation to appropriate standards of the applicable agency; and

(2) In addition to the relief provided in subdivision (d)(1) of this section, the surface owner or surface tenant may be allowed a reasonable attorney's fee together with costs associated with maintaining an action for restoration or remediation.

SECTION 1248. Arkansas Code § 15-72-219(f), concerning compensation of surface owners and surface tenants for damages for the restoration of land, is amended to read as follows:

(f) Nothing contained in this section is intended to limit or restrict the rights of any surface owner or surface tenant to maintain a cause of action for any damage to real property that is not addressed by the rules ~~and regulations~~ adopted by the department or the commission pertaining to spills of crude oil or produced water.

SECTION 1249. Arkansas Code § 15-72-302(a), concerning the Oil and Gas Commission, drilling units, just and equitable shares, preventing waste, and avoiding risks, is amended to read as follows:

(a) Whether or not the total production from a pool is limited or prorated, no rule~~, regulation,~~ or order of the Oil and Gas Commission shall be such in terms or effect:

(1) That it shall be necessary at any time for the producer from or the owner of a tract of land in the pool, in order that he or she may obtain the tract's just and equitable share of the production of the pool, as the share is set forth in this section, to drill and operate any well or wells on the tract in addition to the well or wells as can without waste produce the share; or

(2) As to occasion net drainage from a tract unless there is drilled and operated upon the tract a well or wells in addition to the wells thereon as can without waste produce the tract's just and equitable share, as set forth in this section, of the production of the pool.

SECTION 1250. Arkansas Code § 15-72-302(d)(2), concerning the Oil and Gas Commission, drilling units, just and equitable shares, preventing waste, and avoiding risks, is amended to read as follows:

(2) To that end, the rules, ~~regulations,~~ permits, and orders of

the commission shall be such as will prevent or minimize reasonably avoidable net drainage from each developed unit, that is, drainage that is not equalized by counter drainage and will give to each producer the opportunity to use his or her just and equitable share of the reservoir energy.

SECTION 1251. Arkansas Code § 15-72-305(a)(3)(A)(iii)(b), concerning the allocation of production and cost following an integration order of the Oil and Gas Commission, is amended to read as follows:

(b) File an application with the commission, setting forth sufficient facts to identify the well concerned and the responsible working interest owner, requesting that the commission issue an order requiring the working interest owner to appear at the next regularly scheduled hearing and show cause with respect to its failure to timely comply with the provisions of this section. Subsequent to the hearing, the commission shall impose upon a working interest owner who has failed to meet its obligations hereunder such sanctions as are reasonably calculated to enforce compliance with this section. These sanctions shall include, but not be limited to, a penalty under § 15-74-709. The commission shall have the authority to suspend the imposition of any sanction for a maximum period of sixty (60) days in order to allow the noncompliant owner the opportunity to furnish proof to the commission of his or her compliance with any commission order. All penalties levied by the commission as a result of this provision shall be collected by the commission and shall be deposited in the State Treasury to the credit of the Oil and Gas Commission Fund. The commission may promulgate such other rules ~~and regulations~~ as it deems appropriate and necessary to carry out the purposes of this section;

SECTION 1252. Arkansas Code § 15-72-305(a)(3)(B)(i), concerning the allocation of production and cost following an integration order of the Oil and Gas Commission, is amended to read as follows:

(B)(i) Commencing no later than six (6) months after the date of first sale, and thereafter no later than the earlier of thirty (30) days after first payment is received or thirty (30) days after the sixty-day period within which the first purchaser is to make payment pursuant to §§ 15-74-501 and 15-74-601 – 15-74-603, or a total of ninety (90) days after the end of the calendar month within which subsequent production is sold, each

working interest owner or marketing party who has sold gas shall remit or cause to be remitted to the operator one-eighth (1/8) of the revenue realized or royalty moneys from gas sales computed at the mouth of the well, less all lawful deductions, including, but not limited to, all federal and state taxes levied upon the production or proceeds and shall indemnify and hold the other working interest owner free from any liability therefor. However, if any portion of the price received by a marketing party is subject to possible refund to the gas purchaser pursuant to the regulations, rules, or orders of any governmental authority, the refundable portion need not be included in the amount remitted to the operator for distribution hereunder until the possibility of refund has terminated. The funds or amounts as so remitted shall be held in trust by the operator for the account of the royalty owner or owners entitled thereto until distributed and paid as provided in this section;

SECTION 1253. Arkansas Code § 15-72-305(a)(3)(B)(ii)(a), concerning the allocation of production and cost following an integration order of the Oil and Gas Commission, is amended to read as follows:

(a) File an application with the commission, setting forth sufficient facts to identify the well concerned and the responsible operator, requesting that the commission issue an order requiring the operator to appear at the next regularly scheduled hearing and show cause with respect to its failure to timely comply with the provisions of this section. Subsequent to the hearing, the commission shall impose upon an operator who has failed to meet its obligations hereunder such sanctions as are reasonably calculated to enforce compliance with this section. The sanctions shall include, but not be limited to, a penalty under § 15-74-709. The commission shall have the authority to suspend the imposition of any sanction for a maximum period of sixty (60) days in order to allow the noncompliant the opportunity to furnish proof to the commission of his or her compliance with any commission order. All civil penalties levied by the commission as a result of this provision shall be collected by the commission and deposited in the State Treasury to the credit of the fund. The commission may promulgate such other rules ~~and regulations~~ as it deems appropriate and necessary to carry out the purposes of this section; or

SECTION 1254. Arkansas Code § 15-72-305(a)(5)(E), concerning the allocation of production and cost following an integration order of the Oil and Gas Commission, is amended to read as follows:

(E) The commission may promulgate such other rules ~~and regulations~~ as it deems appropriate and necessary to carry out the purposes of this section.

SECTION 1255. Arkansas Code § 15-72-324(c), concerning the limitation on the production of oil or gas by the Oil and Gas Commission, is amended to read as follows:

(c) After the effective date of any rule~~, regulation,~~ or order of the commission fixing the allowable production of oil or gas, or both, for any pool, no person shall produce from any well, lease, or property more than the allowable production which is applicable, nor shall such amount be produced in a different manner than that which may be authorized.

SECTION 1256. Arkansas Code § 15-72-401(b)(3), concerning the prohibition on dealing in illegal oil and gas, is amended to read as follows:

(3) It shall likewise be a violation for which penalties shall be imposed for any person to sell, purchase, or acquire or to transport, refine, process, or handle in any other way any oil, gas, or any product without complying with any rule~~, regulation,~~ or order of the commission relating thereto.

SECTION 1257. Arkansas Code § 15-72-604(b), concerning condemnation by any natural gas public utility of subsurface strata or formations, is amended to read as follows:

(b) The right of condemnation granted in this section shall be without prejudice to the rights of the owner of the lands, or of other rights or interests therein, to drill or bore through the underground stratum or formation so appropriated in a manner as shall comply with orders~~,~~ and rules~~, and regulations~~ of the commission issued for the purpose of protecting underground storage strata or formations against pollution and against the escape of natural gas therefrom and shall be without prejudice to the rights of the owner of the lands or other rights or interests therein as to all other uses.

SECTION 1258. Arkansas Code § 15-72-608 is amended to read as follows:

15-72-608. Rules ~~and regulations~~.

(a) The Oil and Gas Commission shall have authority to make reasonable rules ~~and regulations~~ and exercise such powers as are granted to it by the Conservation Act, §§ 15-71-101 — 15-71-112, 15-72-101 — 15-72-110, 15-72-205, 15-72-212, 15-72-216, 15-72-301 — 15-72-324, and 15-72-401 — 15-72-407, as may be necessary in the administration of this subchapter.

(b) The Director of the Department of Finance and Administration shall have authority to make reasonable rules ~~and regulations~~ for the collection of the taxes and allowance of credit as provided in this subchapter.

SECTION 1259. Arkansas Code § 15-72-704 is amended to read as follows:

15-72-704. Approval of application.

The application shall be approved by the Oil and Gas Commission if it determines from the application and such investigation as it may deem proper:

(1) That the location of the proposed discovery well is not within the geographical confines of a known producing oil field; and

(2) That the application has complied with the provisions of this subchapter and all rules ~~and regulations~~ of the commission in respect thereto.

SECTION 1260. Arkansas Code § 15-72-705 is amended to read as follows:

15-72-705. Certificate of discovery of commercial pool.

Upon receipt by the commission, within one (1) year from the date of the approval of the application, of evidence from which the Oil and Gas Commission finds that a commercial oil pool has been discovered by that person in the drilling of the discovery well and that compliance has been had with this subchapter and the rules ~~and regulations~~ of the commission, it shall issue to that person a certificate to that effect. This certificate shall entitle the person to the benefits of this subchapter. However, not more than one (1) certificate shall be issued for each field, nor more than one (1) pool in any field.

SECTION 1261. Arkansas Code § 15-72-804(a)(1), concerning the establishment of state emergency petroleum set-aside by the Arkansas

Pollution Control and Ecology Commission, is amended to read as follows:

(a)(1) The Arkansas Pollution Control and Ecology Commission shall promulgate ~~regulations~~ rules establishing a set-aside system for petroleum products and reporting requirements for prime suppliers and brokers.

SECTION 1262. Arkansas Code § 15-74-201(b), concerning accurate measurement of crude petroleum oil, is amended to read as follows:

(b) The Oil and Gas Commission shall have supervision and control of the measurement of crude petroleum oil produced in this state as set forth in subsection (a) of this section. The commission shall make a daily record of the measurement of the crude petroleum oil, and it is authorized and empowered to make reasonable and necessary rules ~~and regulations~~ for the enforcement of the purposes of this section.

SECTION 1263. Arkansas Code § 15-74-401(a)(2), concerning the penalty for sale of oils or fluids not compliant with rules promulgated by the Director of the Department of Finance and Administration, is amended to read as follows:

(2) Fails to comply with all the requirements of any section of this subchapter or rules ~~and regulations~~ promulgated by the Director of the Department of Finance and Administration under authority of this subchapter.

SECTION 1264. Arkansas Code § 15-74-402 is amended to read as follows:

15-74-402. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration shall have authority to promulgate such rules ~~and regulations~~ in regard to the enforcement of this subchapter as shall not be inconsistent with the provisions of the subchapter which in his or her judgment will best serve to carry out the purpose thereof.

SECTION 1265. Arkansas Code § 15-75-103 is amended to read as follows:

15-75-103. Penalty.

Any person violating any of the provisions of this act or any ~~regulation~~ rule adopted pursuant thereto shall be guilty of a misdemeanor and upon conviction shall be fined in a sum of not less than twenty-five dollars ($25.00) nor more than one thousand dollars ($1,000) and, in addition, may be

imprisoned for not more than one (1) year, or both.

SECTION 1266. Arkansas Code § 15-75-110 is amended to read as follows:

15-75-110. Reports.

Reports of the sales, shipment, and installation of containers and systems shall be made by manufacturers, jobbers, and dealers on such forms and in such manner as may be provided by ~~regulation~~ rule of the Liquefied Petroleum Gas Board.

SECTION 1267. Arkansas Code § 15-75-207 is amended to read as follows:

15-75-207. Rules ~~and regulations~~.

(a) The Liquefied Petroleum Gas Board is empowered to make reasonable rules ~~and regulations~~ to carry out the provisions of this subchapter. Such rules ~~and regulations~~ shall have the force and effect of law.

(b) In addition to the functions, powers, and duties conferred and imposed upon the board by this subchapter, and the regulation of its own procedure and carrying out its functions, powers, and duties, it shall have the authority from time to time to make, amend, and enforce all reasonable rules ~~and regulations~~ not inconsistent with law, which will aid in the performance of any of the functions, powers, or duties conferred or imposed upon it by law.

(c) All permanent rules ~~and regulations~~ promulgated for the regulation of liquefied petroleum gases as published in the state code governing liquefied petroleum gas containers and equipment dated May 1, 1964, shall remain in full force and effect until changed, altered, amended, or abolished by the board.

SECTION 1268. Arkansas Code § 15-75-208 is amended to read as follows:

15-75-208. Standards for containers, systems, etc.

The Liquefied Petroleum Gas Board shall provide additional standards or specifications for containers, systems, appliances, and appurtenances, as may be reasonably necessary for the public safety. The standards or specifications are to be set forth in the rules ~~and regulations~~ of the state code governing liquefied petroleum gas containers and equipment.

SECTION 1269. Arkansas Code § 15-75-304(a)(1), concerning certificates

of competency and qualifications in the liquefied petroleum gas business, is amended to read as follows:

(1) Have satisfactory experience in the liquefied petroleum gas business or give proof of previous on-the-job training in the liquefied petroleum gas business satisfactory to the Liquefied Petroleum Gas Board as prescribed by its rules ~~and regulations~~;

SECTION 1270. Arkansas Code § 15-75-305(j), concerning applicants for permits to engage in the liquefied petroleum gas business, is amended to read as follows:

(j) In addition to the foregoing, the board shall have the power to make reasonable application requirements by ~~rules and regulations~~ rule and shall adopt rules ~~and regulations~~ as it shall deem necessary to govern the procedures in any hearing to review the issuance or denial of permits.

SECTION 1271. Arkansas Code § 15-75-319(d), concerning reinstatement or transfer of permits and the automatic revocation upon suspension of business, is amended to read as follows:

(d) A transfer of an existing permit or a reinstatement of an automatic revocation of an existing permit pursuant to this subchapter may be made only upon compliance with this subchapter and rules ~~and regulations~~ pertaining to new applications, and the proposed transfers or reinstatements shall meet all requirements for new applications.

SECTION 1272. Arkansas Code § 15-75-321(b), concerning the suspension or revocation of a certificate of competency, is amended to read as follows:

(b) The Liquefied Petroleum Gas Board, upon sufficient proof, may revoke, suspend, reprimand, place on probation, refuse to renew, or refuse to issue the permit or certificate of competency of any holder or person for cause or willful violation of any of the laws or rules ~~and regulations~~ as promulgated by the board after due notice, provided that all persons shall be entitled to a hearing before the board to show cause why the permit or certificate of competency should not be revoked. Any person whose certificate of competency has been temporarily suspended by the director or an inspector of the board shall be entitled to a hearing before the board at its next meeting to show cause why the certificate of competency should not be

permanently revoked. No person whose permit or certificate of competency is suspended temporarily or permanently revoked hereunder shall engage in any phase of the liquefied petroleum gas business until authorized to do so by order of the board.

SECTION 1273. Arkansas Code § 15-75-322(c), concerning shortage emergencies of liquefied petroleum gas, is amended to read as follows:

(c) The waiver of Arkansas licensing, permitting, and certification laws and ~~regulations~~ rules regarding liquefied petroleum gas trucks and operators thereof shall be valid only during the time of the emergency.

SECTION 1274. Arkansas Code § 15-75-323(a), concerning civil penalties of the Liquefied Petroleum Gas Board, is amended to read as follows:

(a) In addition to any other penalty provided in this chapter, any person who violates any provision of this chapter, or any rule ~~or regulation~~ pertaining thereto, shall pay to the Liquefied Petroleum Gas Board a civil penalty of not more than five thousand dollars ($5,000) for each offense.

SECTION 1275. Arkansas Code § 15-75-404(b), concerning inspection of containers used for the storage or transportation of liquefied petroleum gases, is amended to read as follows:

(b) Each container which is to be used or connected as a part of a plant or to a system for the utilization of liquefied petroleum gases shall have a state registration tag of approval attached before installation and shall be inspected thereafter at such times and in such manner as may be determined under the rules ~~and regulations~~ of the Liquefied Petroleum Gas Board.

SECTION 1276. Arkansas Code § 15-75-407(c), concerning the requirement that retail sellers furnish liquefied petroleum gas account statements to certain customers, is amended to read as follows:

(c) The failure of any person, corporation, partnership, association, or other entity to comply with the provisions of this section or the rules ~~and regulations~~ of the board adopted pursuant to the provisions of this section shall constitute grounds for the revocation or suspension of the license or permit of each person or entity to engage in the business of

selling liquefied petroleum gas at retail in this state.

SECTION 1277. Arkansas Code § 15-76-303 is amended to read as follows:

15-76-303. Penalties.

(a) Any person shall be deemed guilty of a misdemeanor and shall be subject, upon conviction in any court of competent jurisdiction, to a fine of not more than five hundred dollars ($500) or imprisonment for a term of not more than six (6) months, or to both fine and imprisonment, who, for the purpose of evading this subchapter or of evading any rule~~, regulation,~~ or order made thereunder, shall:

(1) Intentionally make or cause to be made any false entry or statement of fact in any report required to be made by this subchapter or by any rule~~, regulation,~~ or order made hereunder; or

(2) Make or cause to be made any false entry in any account, record, or memorandum kept by any person in connection with the provisions of this subchapter or of any rule~~, regulation,~~ or order made hereunder; or

(3) Omit to make, or cause to be omitted, full, true, and correct entries in those accounts, records, or memoranda, of all facts and transactions pertaining to the interest or activities in the brine industry of that person as may be required by the Oil and Gas Commission under authority given in this subchapter or by any rule~~, regulation,~~ or order made hereunder; or

(4) Remove out of the jurisdiction of the state, or who shall mutilate, alter, or by any other means falsify, any book, record, or other paper made under this subchapter.

(b) Any person who knowingly and willfully violates any provision of this subchapter or of any rule~~, regulation,~~ or order of the commission made hereunder shall, in the event a penalty for the violation is not otherwise provided in this subchapter, be subject to a penalty of not to exceed one thousand dollars ($1,000) a day for each and every day of the violation. For each and every act of violation, the penalty shall be recovered in a suit in the circuit court of the county where the defendant resides, or in the county of the residence of any defendant if there is more than one (1) defendant, or in the circuit court of the county where the violation took place. The place of suit shall be selected by the commission, and the suit, by direction of the commission, shall be instituted and conducted in the name of the

commission by the attorney for the commission or by the Attorney General or under his or her direction by the prosecuting attorney of the county where the suit is instituted.

(c) Any person knowingly and willfully aiding or abetting any other person in the violation of any provision of this subchapter or any rule~~, regulation,~~ or order made hereunder shall be subject to the same penalties as are prescribed herein for the violation by the other person.

SECTION 1278. Arkansas Code § 15-76-304(a), concerning injunctions by the Oil and Gas Commission, is amended to read as follows:

(a) Whenever it shall appear that any person is violating, or threatening to violate, any provision of this subchapter or any rule~~, regulation,~~ or order made thereunder by any act done in the operation of any well for the production of brine or the injection of effluent into an aquifer for disposal or injection purposes or by omitting any act required to be done thereunder, the Oil and Gas Commission, through its counsel or the Attorney General, may bring suit against that person in the circuit court in the county in which the well in question is located to restrain the person from continuing the violation or from carrying out the threat of violation. In that suit, the commission may obtain injunctions, prohibitory and mandatory, including temporary restraining orders and temporary injunctions as the facts may warrant, including, when appropriate, an injunction restraining any person from producing brine or injecting effluent into an aquifer.

SECTION 1279. Arkansas Code § 15-76-306(c), concerning the authority of the Oil and Gas Commission, is amended to read as follows:

(c) The commission shall have the authority to make, after hearing and notice as provided in this section, such reasonable rules~~, regulations,~~ and orders as may be necessary from time to time in the proper administration and enforcement of this subchapter, including rules~~, regulations,~~ or orders for the following purposes:

(1) To form brine production units and brine expansion units;

(2) To require the drilling, casing, and plugging of wells to be done in such a manner as to prevent the escape of brine and effluent from one stratum to another, to prevent the pollution of fresh water supplies by brine and effluent, and to require reasonable financial assurance acceptable to the

commission conditioned for the performance of the duty to plug each dry hole or abandoned well;

(3) To require the making of reports showing the location of brine wells utilized for production and of injection wells used for disposal and the filing of logs and drilling records for those wells;

(4) To require the return of the brine to the same formation from which it was produced unless the commission authorizes the disposal of effluent into one (1) or more other formations upon finding that neither underground damage nor waste results from the disposal;

(5) To prevent the drowning by brine and effluent of any stratum or part of a stratum capable of producing oil or gas in paying quantities;

(6) To prevent "blowouts", "caving", and "seepage" in the sense that conditions indicated by these terms are generally understood;

(7) To identify the ownership of all wells utilized for producing brine and of all injection wells and all pipelines, plants, ponds, structures, and storage facilities;

(8) To regulate the "shooting", perforating, and chemical treatment of wells;

(9) To regulate the introduction or injection of effluent and other substances into an aquifer;

(10)(A) To regulate the spacing of wells for the production of brine and injection wells for the introduction of effluent into an aquifer.

(B) However, the commission shall have no authority to allow wells or other installations on the surface of lands without the consent of the surface owner;

(11) To formulate rules ~~and regulations~~ for the proper transportation of brine from the producing wells to the plant and from the plant to the injection wells and for the maintenance and surveillance of the transportation facilities; and

(12) To prevent, so far as is practical, reasonably avoidable drainage between brine production units and brine expansion units.

SECTION 1280. Arkansas Code § 15-76-307(a)-(c), concerning procedure and rules of the Oil and Gas Commission, are amended to read as follows:

(a) The Oil and Gas Commission shall prescribe its rules of order and procedure with respect to all hearings or proceedings hereunder in accordance

with and as limited by the laws of this state applicable to hearings and proceedings before the commission under other acts of this state, including provisions of law regarding notice and hearing and provisions of law regarding the promulgation by the commission of rules~~, regulations,~~ and orders, including changes, renewals, or extensions thereof, and including emergency promulgations.

(b) No rule~~, regulation,~~ or order, including change, renewal, or extension thereof, shall, in the absence of an emergency, be made by the commission under the provisions of this subchapter except after a public hearing upon at least twenty (20) days' notice given in the manner and form as may be prescribed by the commission. Such public hearing shall be held at such time and place and in such manner as may be prescribed by the commission. Any person having any interest in the subject matter of the hearing shall be entitled to be heard.

(c) In the event an emergency is found to exist by the commission which, in its judgment, requires the making, changing, renewal, or extension of a rule~~, regulation,~~ or order without first having a hearing, such emergency rule~~, regulation,~~ or order shall have the same validity as if a hearing with respect to the rule~~, regulation,~~ or order had been held after due notice. The emergency rule~~, regulation,~~ or order permitted by this section shall remain in force no longer than sixty (60) days from its effective date, and, in any event, it shall expire when the rule~~, regulation,~~ or order made after due notice and hearing with respect to the subject matter of such emergency rule~~, regulation,~~ or order becomes effective.

SECTION 1281. Arkansas Code § 15-76-307(e), concerning the procedure and rules of the Oil and Gas Commission, is amended to read as follows:

(e) All rules~~, regulations,~~ and orders made by the commission shall be in writing and shall be entered in full by the director in a book to be kept for such purpose by the commission. This book shall be a public record and be open to inspection at all times during reasonable office hours. A copy of such rule~~, regulation,~~ or order, certified by the director, shall be received in evidence in all courts of this state with the same effect as the original.

SECTION 1282. Arkansas Code § 15-76-319(a), concerning Oil and Gas Commission rules regarding abandoned wells, is amended to read as follows:

(a) Each abandoned well shall be plugged in the manner and within the time required by ~~regulations~~ rules prescribed by the Oil and Gas Commission, and the owner of the well shall give notice, upon the form the commission may prescribe, of the owner's intention to abandon any well.

SECTION 1283. Arkansas Code § 15-76-321(a), concerning judicial review of rules and orders of the Oil and Gas Commission, is amended to read as follows:

(a) Any interested person adversely affected by any provisions of this subchapter or by any rule~~, regulation,~~ or order made by the Oil and Gas Commission hereunder, or by any act done or threatened hereunder, and who has exhausted his or her administrative remedy, may obtain court review and seek relief by a suit for injunction against the commission, as defendant, or the members thereof, by suit in the circuit court of the county in which the property involved is located.

SECTION 1284. Arkansas Code § 15-76-321(d), concerning judicial review of rules and orders of the Oil and Gas Commission, is amended to read as follows:

(d) The statute, provision of this subchapter, or rule~~, regulation,~~ or order complained of shall be taken as prima facie valid, and the presumption shall not be overcome, in connection with any application for injunctive relief, including a temporary restraining order, by a verified bill or affidavit of, or in behalf of, the applicant.

SECTION 1285. Arkansas Code § 15-76-322 is amended to read as follows:

15-76-322. Appellate procedure.

In all proceedings brought under authority of this subchapter or of any rule~~, regulation,~~ or order issued hereunder, and in all proceedings instituted for the purpose of contesting the validity of any provisions of this subchapter or of any rule~~, regulation,~~ or order issued hereunder, appeals may be taken in accordance with the general laws of the State of Arkansas relating to appeals. However, in all appeals from judgments or decrees in suits to contest the validity of any provision of this subchapter or any rule~~, regulation,~~ or order of the Oil and Gas Commission hereunder, the appeals, when docketed in the Supreme Court, shall take precedence over

other cases on the docket of the court and may be advanced as the court may order and direct.

SECTION 1286. The introductory language of Arkansas Code § 16-6-201(c)(2), concerning the regulations for indigent care by volunteer health care professionals, is amended to read as follows:

(2) The ~~regulations~~ rules shall require that each person to whom health care services are provided:

SECTION 1287. Arkansas Code § 16-7-102(d), concerning the establishment, terms of members, meetings, rules, and quorum of the Arkansas Alternative Dispute Resolution Commission, is amended to read as follows:

(d) The commission may issue rules ~~and regulations~~ and shall publish rules for the regulation of its proceedings.

SECTION 1288. Arkansas Code § 16-7-104(3)(B), concerning the powers and duties of the Arkansas Alternative Dispute Resolution Commission, is amended to read as follows:

(B) However, nothing in this subchapter or in the standards and ~~regulations~~ rules promulgated by the commission shall in any way prevent the parties to the litigation from utilizing any recognized voluntary or nonprofit program of dispute resolution;

SECTION 1289. Arkansas Code § 16-10-101(b)(1), concerning the administrative responsibilities of the Supreme Court, is amended to read as follows:

(b)(1) Under rules prescribed by the Supreme Court, the Chief Justice may require reports from all courts of the state and may issue such orders, rules, and regulations as may be necessary for the efficient operation of those courts to ensure the prompt and proper administration of justice and may assign, reassign, and modify assignments of circuit and district court judges to hold, upon a temporary basis, regular or special sessions for the transaction of civil or criminal business within any other such court.

SECTION 1290. Arkansas Code § 16-10-102(e)(9), concerning the creation and duties of the Administrative Office of the Courts, the duties of the

Director of the Administrative Office of the Courts, and the cooperation of the court officers, is amended to read as follows:

(9) Attend to the other nonjudicial business of the judicial branch under such rules ~~and regulations~~ as the Supreme Court may by order adopt.

SECTION 1291. Arkansas Code § 16-10-119(a), concerning the appropriation for travel expenses of circuit court judges, is amended to read as follows:

(a) From the appropriation provided to the Auditor of State for trial judges' expenses, a circuit judge is authorized to be reimbursed for those travel expenses at the rate as authorized for state employees and for mileage at the rate established in the state travel ~~regulations~~ rules for state employees while traveling within the state in the performance of their official duties.

SECTION 1292. Arkansas Code § 16-10-309(a)(2)(B), concerning the failure of a town, city, or county to submit funds or reports to the Administration of Justice Funds Section of the Office of Administrative Services of the Department of Finance and Administration, is amended to read as follows:

(B) The town, city, or county will thereafter receive its share of these funds at a time and in the manner prescribed by ~~regulations~~ rules of the Chief Fiscal Officer of the State.

SECTION 1293. Arkansas Code § 16-10-1004(c)(1)(A), concerning the definition of "court security officer" and the establishment of a training and certification program for court security officers, is amended to read as follows:

(1)(A) Be certified as a law enforcement officer by the Arkansas Commission on Law Enforcement Standards and Training under the laws and ~~regulations~~ rules of this state.

SECTION 1294. Arkansas Code § 16-11-105(b), concerning the rules and laws applicable to the Supreme Court, is amended to read as follows:

(b) The Supreme Court may make such further rules ~~and regulations~~ as

may be necessary for the transaction and dispatch of business.

SECTION 1295. Arkansas Code § 16-11-110(a)(1), concerning the control and supervision of the Supreme Court Library, is amended to read as follows:

(a)(1) Except as provided in this section, the Supreme Court Library shall be under the exclusive control and supervision of the Justices of the Arkansas Supreme Court, who are hereby authorized to make such rules ~~and regulations~~ regarding its use and operation as they may deem proper.

SECTION 1296. Arkansas Code § 16-13-505(a)(2), concerning the reimbursement of expenses for a court reporter for a circuit court, is amended to read as follows:

(2) Notwithstanding the exemption from state travel ~~regulations~~ rules provided by § 19-4-904, if a court reporter uses a personal vehicle for transportation, he or she is entitled to reimbursement for mileage at the same rate prescribed by the Department of Finance and Administration for executive branch employees.

SECTION 1297. Arkansas Code § 16-13-3304(a)(2), concerning the reimbursement of expenses for a trial court administrator of a circuit court, is amended to read as follows:

(2) Notwithstanding the exemption from state travel ~~regulations~~ rules provided by § 19-4-904, if a trial court administrator uses a personal vehicle for transportation, he or she is entitled to reimbursement for mileage at the same rate prescribed by the Department of Finance and Administration for executive branch employees.

SECTION 1298. Arkansas Code § 16-17-1108(a), concerning the reimbursement of travel expenses of a state district court judge, is amended to read as follows:

(a) From the appropriation provided for the expenses of state district court judges, a state district court judge is authorized to be reimbursed for those travel expenses at the rate as authorized for state employees and for mileage at the rate established in the state travel ~~regulations~~ rules for state employees while traveling within the state in the performance of official duties.

SECTION 1299. Arkansas Code § 16-46-109(b), concerning the confidentiality of proceedings, minutes, records or reports of the quality assurance committee responsible for evaluating the quality of medical, nursing, or other care of long-term care facilities, is amended to read as follows:

(b) This section does not prevent disclosure of the data mentioned in subsection (a) of this section to an appropriate state or federal regulatory agency that by statute, rule, or regulation is entitled to access to the data.

SECTION 1300. Arkansas Code § 16-46-109(c)(1)(C), concerning the confidentiality of proceedings, minutes, records or reports of the quality assurance committee responsible for evaluating the quality of medical, nursing, or other care of long-term care facilities, is amended to read as follows:

(C) Records or reports required to be kept by applicable law, rule, or regulation that are not created by or for the committee;

SECTION 1301. Arkansas Code § 16-84-107(b), concerning the form of bond or surety for bail, is amended to read as follows:

(b) If the surety is a professional bail bondsman, the undertaking of the surety shall be in a form prescribed by the ~~regulations~~ rules of the Professional Bail Bond Company and Professional Bail Bondsman Licensing Board.

SECTION 1302. Arkansas Code § 16-87-215(1), concerning the creation of the Trial Public Defender Office within the Arkansas Public Defender Commission, is amended to read as follows:

(1) The Trial Public Defender Office shall supervise the development and operations of each of the components of the Arkansas trial public defender system pursuant to the rules~~, regulations,~~ and standards for governing the system adopted by the commission;

SECTION 1303. Arkansas Code § 16-90-706(b)(2), concerning the powers and duties of the Crime Victims Reparations Board, is amended to read as

follows:

(2) Adopt rules ~~and regulations~~ to implement the provisions of this subchapter;

SECTION 1304. Arkansas Code § 16-90-719(a)(2) and (3), concerning property damage reparations administered by the Crime Victims Reparations Board, are amended to read as follows:

(2) The Crime Victims Reparations Board shall have the power to provide labor for repairs and cleanup supplied by eligible offenders serving community correction and probationers in accordance with rules ~~and regulations~~ promulgated by the Board of Corrections.

(3) By this section, the Department of Community Correction is authorized and directed to promulgate necessary rules ~~and regulations~~ permitting the use of eligible inmates transferred to or sentenced directly to community correction and probationers to perform the repair and cleanup work contemplated by this section and consistent with guidelines established by the Crime Victims Reparations Board.

SECTION 1305. Arkansas Code § 16-90-719(b) and (c), concerning property damage reparations administered by the Crime Victims Reparations Board, are amended to read as follows:

(b) Inmates who have been convicted of violent crimes or residential burglary, even if transferred to or sentenced directly to community correction, and probationers who have been convicted of violent crimes, residential burglary, or theft of property shall be ineligible to participate in this program, and the ~~regulations~~ rules governing this program shall reflect this prohibition.

(c)(1) The Crime Victims Reparations Board and the Board of Corrections with the cooperation and assistance of the Department of Community Correction, working in conjunction with each other, shall promulgate the necessary rules ~~and regulations~~ to establish a program whereby eligible inmates released to or sentenced directly to community correction and probationers may perform labor on the primary residence and surrounding real property of victims whose primary residence has suffered damage as a result of a criminal act or whose personal property has been stolen from their primary residence, and whose owner does not have adequate available

resources or any collateral source of reimbursement such as insurance to cover the costs of repairs or replacement.

(2) The safety of the victim, the probationer, and the inmate is to be given first priority in promulgating the rules ~~and regulations~~.

SECTION 1306. Arkansas Code § 16-90-1002(a)(6), concerning the duties of the Crime Victims Reparations Board, is amended to read as follows:

(6) Adopt necessary rules ~~and regulations~~ necessary to carry out its functions under this subchapter.

SECTION 1307. The introductory language of Arkansas Code § 16-93-104(a)(2)(B)(ii), concerning the payment of a supervision fee to the Department of Community Correction by an offender on probation or parole, is amended to read as follows:

(ii) The Board of Corrections shall promulgate ~~regulations~~ rules for the accounting and distribution of the Best Practices Fund to ensure that:

SECTION 1308. Arkansas Code § 16-93-206(b), concerning jurisdiction of the Parole Board to serve as the revocation review board for a person subject to parole or transfer from prison, is amended to read as follows:

(b) Revocation proceedings for either parole or transfer shall follow all legal requirements applicable to parole and shall be subject to any additional policies~~,~~ and rules~~, and regulations~~ set by the board.

SECTION 1309. Arkansas Code § 16-93-614(b)(3), concerning parole eligibility and offenses and the definition of "felonies", is amended to read as follows:

(3) A person who has committed a felony who is within a target group as currently defined under § 16-93-1202(10) and who is released on parole shall be eligible, pursuant to rules ~~and regulations~~ established by the Parole Board, for commitment to a community correction facility if he or she is found to be in violation of any of his or her parole conditions, unless the parole violation constitutes a nontarget felony offense.

SECTION 1310. Arkansas Code § 16-93-614(c)(2)(C), concerning parole

eligibility and offenses and the definition of "felonies", is amended to read as follows:

(C) The Department of Community Correction shall provide for the appropriate disposition of the offender as expeditiously as practicable under rules ~~and regulations~~ developed by the Board of Corrections.

SECTION 1311. Arkansas Code § 16-93-617(a), concerning parole eligibility procedures and revocation of transfer by the Parole Board, is amended to read as follows:

(a) In the event an offender transferred under this section, §§ 16-93-614 — 16-93-616, or § 16-93-618 violates the terms or conditions of his or her transfer, a hearing shall follow all applicable legal requirements and shall be subject to any additional policies~~,~~ and rules~~, and regulations~~ set by the Parole Board.

SECTION 1312. Arkansas Code § 16-93-1203(4), concerning the powers and duties of the Board of Corrections, is amended to read as follows:

(4) Establish rules ~~and regulations~~ relating to the operation of community correction programs and the supervision of eligible offenders participating therein;

SECTION 1313. Arkansas Code § 16-93-1203(7), concerning the powers and duties of the Board of Corrections, is amended to read as follows:

(7) Establish rules~~, regulations,~~ and procedures which shall be required or deemed appropriate for the implementation and ongoing operation of community correction; and

SECTION 1314. The introductory language of Arkansas Code § 16-93-1205(a), concerning the operation and supervision of community correction programs by the Board of Corrections, is amended to read as follows:

(a) The Board of Corrections shall promulgate policies~~,~~ and rules~~, and regulations~~ relating to the operation of community correction facilities and programs, the supervision of eligible offenders participating therein, and the termination of that participation, including but not limited to:

SECTION 1315. Arkansas Code § 16-93-1208(a)(1)(A), concerning post commitment transfer of an eligible offender to the Department of Correction, is amended to read as follows:

(a)(1)(A) Upon commitment of an eligible offender to the Department of Correction, the Department of Correction will transfer the eligible offender to a community correction program, when he or she reaches his or her transfer date, in accordance with the rules ~~and regulations~~ promulgated by the Board of Corrections and conditions set by the Parole Board.

SECTION 1316. Arkansas Code § 16-93-1601(2), concerning the legislative intent to reduce recidivism in the criminal justice system, is amended to read as follows:

(2) Establish these rules in order to help reduce recidivism in our criminal justice system and to provide ~~regulations~~ rules to protect the individuals in the programs and to protect the neighborhoods and communities in which the programs and facilities are located.

SECTION 1317. The introductory language of Arkansas Code § 16-99-103(a)(5), concerning additional funding for the Department of Community Correction based on a reduction of probation revocations, is amended to read as follows:

(5) The Department of Community Correction shall promulgate rules ~~and regulations~~ for the distribution and use of incentive funds that it receives, requiring that:

SECTION 1318. Arkansas Code § 16-99-103(b)(9), concerning additional funding for the Department of Community Correction based on a reduction of probation revocations, is amended to read as follows:

(9) The Board of Corrections shall promulgate rules ~~and regulations~~ for the distribution and use of incentive funds to successful applicants.

SECTION 1319. Arkansas Code § 16-99-104(1), concerning the Board of Corrections' duties related to performance incentive funding for recidivism and crime reduction, is amended to read as follows:

(1) Establish rules ~~and regulations~~ for counties, multicounty

partnerships, or judicial districts to apply for funds under this subchapter;

SECTION 1320. Arkansas Code § 16-105-502(d), concerning sport shooting ranges and noise control ordinances, is amended to read as follows:

(d) Rules ~~or regulations~~ adopted by any state agency for establishing levels of noise allowable in the outdoor atmosphere shall not apply to a sport shooting range exempted from liability under this subchapter.

SECTION 1321. Arkansas Code § 16-116-302(d), concerning limitations on product liability actions and the award of fees, is amended to read as follows:

(d)(1) Notwithstanding subsection (a) of this section, a firearms, nonpowder gun, or ammunition manufacturer, importer, or dealer may be sued in tort for any damages proximately caused by an act of the manufacturer, importer, or dealer in violation of a state law or rule or federal law or regulation.

(2) In any action brought under this subsection, the plaintiff shall have the burden of proving by a preponderance of the evidence that the defendant violated the state law or rule or federal law or regulation.

SECTION 1322. Arkansas Code § 16-123-317(b)(2), concerning the contents of a complaint filed with the Director of the Arkansas Fair Housing Commission, is amended to read as follows:

(2) In the form specified and standardized by this subchapter and the ~~regulations~~ rules promulgated by the Arkansas Fair Housing Commission, which shall not require that the complaint be notarized.

SECTION 1323. Arkansas Code § 16-123-318(b)(3), concerning the contents of an answer filed with the Director of the Arkansas Fair Housing Commission, is amended to read as follows:

(3) In the form specified and standardized by this subchapter and the ~~regulations~~ rules promulgated by the Arkansas Fair Housing Commission, which shall not require that the answer be notarized.

SECTION 1324. The introductory language of Arkansas Code § 16-123-345(a)(1), concerning incentives for self-testing and self-correction under

the rules of the Arkansas Fair Housing Commission, is amended to read as follows:

(a)(1) A report or result of a self-test, as that term is defined by ~~regulation~~ rule of the Director of the Arkansas Fair Housing Commission, shall be considered to be privileged under subdivision (a)(2) of this section if a person:

SECTION 1325. Arkansas Code § 17-11-305(c), concerning the temporary certificate of registration from the Arkansas Abstracters' Board, is amended to read as follows:

(c) This certificate shall expire six (6) months after its date or upon the expiration of sixty (60) days after the next regularly scheduled examinations which could be taken by the applicant under the rules ~~and regulations~~ of the board, whichever period is longer.

SECTION 1326. Arkansas Code § 17-12-106(g)(2), concerning the use of the title of "certified public accountant", is amended to read as follows:

(2) Facts respecting compliance with conditions established by law or contract, including, but not limited to, statutes, ordinances, rules, regulations, grants, loans, and appropriations.

SECTION 1327. Arkansas Code § 17-12-106(h)(2), concerning the use of the title of "certified public accountant", is amended to read as follows:

(2) Facts respecting compliance with conditions established by law or contract, including, but not limited to, statutes, ordinances, rules, regulations, grants, loans, and appropriations.

SECTION 1328. Arkansas Code § 17-12-108 is amended to read as follows:

17-12-108. CPA construed.

Whenever any statute or ~~regulation~~ rule requires that reports, financial statements, and other documents for submission to any department, board, or agency of this state be prepared by CPAs, the requirements shall be construed to mean registered public accountants or certified public accountants.

SECTION 1329. Arkansas Code § 17-12-203(a), concerning the duties of

the Arkansas State Board of Public Accountancy, is amended to read as follows:

(a) The Arkansas State Board of Public Accountancy may adopt, and amend from time to time, ~~regulations~~ rules for the orderly conduct of its affairs and for the administration of this chapter.

SECTION 1330. Arkansas Code § 17-12-203(d), concerning the duties of the Arkansas State Board of Public Accountancy, is amended to read as follows:

(d) The Arkansas State Board of Public Accountancy may issue any further ~~regulations~~ rules, including, but not limited to, rules of professional conduct pertaining to licensees practicing public accounting which it deems consistent with or required by the public welfare. Among other things, the Arkansas State Board of Public Accountancy may prescribe ~~regulations~~ rules for licensees:

(1) Governing their style, name, and title;

(2) Governing their affiliation with any other organization; and

(3) Establishing reasonable standards with respect to professional liability insurance and capital requirements.

SECTION 1331. Arkansas Code § 17-12-302 is amended to read as follows:

17-12-302. Education requirements.

(a) In general, the applicable education requirements shall be those in effect on the date on which the applicant successfully applies for his or her examination under § 17-12-301(a)(2). However, the Arkansas State Board of Public Accountancy may provide by ~~regulation~~ rule for exceptions to the general rule in order to prevent what it determines to be undue hardship to applicants resulting from changes in the education and experience requirements.

(b) The board may provide by ~~regulation~~ rule for the general scope of the examinations and may obtain any advice and assistance it deems appropriate to assist it in preparing and grading the examinations.

SECTION 1332. Arkansas Code § 17-12-303(h), concerning criminal background checks required by the Arkansas State Board of Public Accountancy, is amended to read as follows:

(h) The board shall adopt rules ~~and regulations~~ to implement the provisions of this section.

SECTION 1333. Arkansas Code § 17-12-305 is amended to read as follows:

17-12-305. Reexaminations.

(a) The Arkansas State Board of Public Accountancy may by ~~regulation~~ rule prescribe the terms and conditions under which an applicant who passes the examination in one (1) or more of the subjects indicated in § 17-12-301(a)(2) may be reexamined in only the remaining subjects, with credit for the subjects previously passed.

(b) It may also provide by ~~regulation~~ rule for a reasonable waiting period for an applicant's reexamination in a subject he or she has failed.

(c) Subject to subsections (a) and (b) of this section and such ~~regulations~~ rules as the board may adopt governing reexaminations, an applicant shall be entitled to any number of reexaminations under § 17-12-301(a)(2).

SECTION 1334. Arkansas Code § 17-12-307 is amended to read as follows:

17-12-307. Credit for examination administered by licensing authority in another jurisdiction.

The Arkansas State Board of Public Accountancy may by ~~regulation~~ rule provide for granting a credit to an applicant for his or her satisfactory completion of an examination in any one (1) or more of the subjects specified in § 17-12-301(a)(2) given by the licensing authority in any other state. The ~~regulations~~ rules shall include such requirements as the board shall determine to be appropriate in order that any examination approved as a basis for any credit shall be, in the judgment of the board, at least as thorough as the most recent examination given by the board at the time of the granting of the credit.

SECTION 1335. Arkansas Code § 17-12-401(c)(2)(D), concerning professional partnerships, corporations, limited liability companies, and sole proprietorships of certified public accountants, is amended to read as follows:

(D) The corporation shall be in compliance with other ~~regulations~~ rules pertaining to corporations practicing public accounting in

this state that the board may prescribe;

SECTION 1336. Arkansas Code § 17-12-401(c)(3)(D), concerning professional partnerships, corporations, limited liability companies, and sole proprietorships of certified public accountants, is amended to read as follows:

(D) The limited liability company shall be in compliance with other ~~regulations~~ rules pertaining to limited liability companies practicing public accounting in this state that the board may prescribe; and

SECTION 1337. Arkansas Code § 17-12-402(b)(3), concerning professional partnerships, sole proprietorships, and limited liability companies of certified public accountants, is amended to read as follows:

(3) The corporation shall be in compliance with other ~~regulations~~ rules pertaining to corporations practicing public accounting in this state that the board may prescribe.

SECTION 1338. Arkansas Code § 17-12-402(c)(3), concerning professional partnerships, sole proprietorships, and limited liability companies of certified public accountants, is amended to read as follows:

(3) The limited liability company shall be in compliance with other ~~regulations~~ rules pertaining to the limited liability companies practicing public accounting in this state that the board may prescribe.

SECTION 1339. Arkansas Code § 17-12-403(d), concerning the registration of offices of certified public accountants, is amended to read as follows:

(d) The board shall prescribe by ~~regulation~~ rule the procedure to be followed in effecting such registrations.

SECTION 1340. Arkansas Code § 17-12-502(d) and (e), concerning the continuing education requirement of certified public accountants, are amended to read as follows:

(d) In issuing rules~~, regulations,~~ and individual orders in respect to requirements of continuing education, the board in its discretion:

(1) May, among other things, use and rely upon guidelines and

pronouncements of recognized educational and professional associations;

(2) May prescribe content, duration, and organization of courses;

(3) Shall take into account the accessibility to applicants of such continuing education as it may require;

(4) Shall consider any impediments to interstate practice of public accountancy which may result from differences in the requirements in other states; and

(5) May provide for relaxation or suspension of the requirements in regard to applicants who certify that they do not intend to engage in the practice of public accountancy and for instances of individual hardship.

(e) The board is authorized to prescribe ~~regulations~~ rules, procedures, and policies in the manner and condition under which credit shall be given for participation in a program of continuing education that the board may deem necessary and appropriate to maintain the highest standard of proficiency in the profession of public accounting.

SECTION 1341. Arkansas Code § 17-13-106(2), concerning the administration of the State Plant Board, is amended to read as follows:

(2) Promulgate, pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq., ~~regulations~~ rules necessary for the implementation of this chapter;

SECTION 1342. Arkansas Code § 17-14-307(1)(C), concerning the minimum qualifying requirements for registered appraisers, is amended to read as follows:

(C) The board's rules ~~and regulations~~;

SECTION 1343. Arkansas Code § 17-14-409(c)(1), concerning the registry of applicants and roster of the Executive Director of the Arkansas Appraiser Licensing and Certification Board, is amended to read as follows:

(c)(1) The board shall submit to the Appraisal Subcommittee all information required to be submitted by Appraisal Subcommittee ~~regulations~~ rules or guidance concerning appraisal management companies that operate in this state.

SECTION 1344. Arkansas Code § 17-15-205(a), concerning the Arkansas State Board of Architects, Landscape Architects, and Interior Designers continuing education rules, is amended to read as follows:

(a) The Arkansas State Board of Architects, Landscape Architects, and Interior Designers may adopt ~~regulations~~ rules setting minimum standards of continuing education to ensure that all registered architects, registered landscape architects, and registered interior designers remain informed of those technical and professional subjects that the board deems appropriate.

SECTION 1345. Arkansas Code § 17-15-303(b), concerning partnerships and corporations admitted to practice architecture, is amended to read as follows:

(b) The Arkansas State Board of Architects, Landscape Architects, and Interior Designers is authorized to require by ~~regulation~~ rule any partnership or corporation practicing architecture in this state to file information concerning its officers, directors, beneficial owners, and other aspects of its business organization upon such forms as the board prescribes.

SECTION 1346. Arkansas Code § 17-15-304(c), concerning the registration and licensure to practice architecture in the State of Arkansas, is amended to read as follows:

(c) The Arkansas State Board of Architects, Landscape Architects, and Interior Designers is empowered to make all necessary rules ~~and regulations~~ governing the content, grading, time, place, and method of conducting the examinations and may adopt the examinations and recommended grading procedures of the National Council of Architectural Registration Boards.

SECTION 1347. Arkansas Code § 17-15-307(b), concerning the official seal of the Arkansas State Board of Architects, Landscape Architects, and Interior Designers, is amended to read as follows:

(b) No official of this state, or of any county, city, town, or village, now or hereafter charged with the enforcement of laws, ordinances, rules, or regulations relating to the construction or alteration of buildings, shall accept or approve any plans or specifications which have not been prepared and submitted in full accord with all the provisions of this chapter. Nor shall any payment be approved by any public body for any work,

the plans and specifications for which have not been so prepared and signed and sealed by the author.

SECTION 1348. Arkansas Code § 17-17-112(b), concerning the requirement of an auctioneer to have a written contract to sell the property of another, is amended to read as follows:

(b) The Auctioneer's Licensing Board is authorized to prescribe by ~~regulations~~ rule the minimum requirements which must be included in a written contract.

SECTION 1349. Arkansas Code § 17-17-114(f), concerning the authority of the Auctioneer's Licensing Board to impose a civil penalty, is amended to read as follows:

(f) The board is authorized to promulgate ~~regulations~~ rules to implement the provisions of this chapter.

SECTION 1350. Arkansas Code § 17-17-207 is amended to read as follows:

17-17-207. Rules ~~and regulations~~.

The Auctioneer's Licensing Board shall have the authority to promulgate such rules ~~and regulations~~ as may be necessary to implement this chapter and may establish by ~~regulation~~ rule such forms as may be necessary to administer this chapter.

SECTION 1351. Arkansas Code § 17-17-209(c), concerning the seal of the Auctioneer's Licensing Board, is amended to read as follows:

(c) All records kept in the office of the board under the authority of this chapter shall be open to public inspection under such rules ~~and regulations~~ as shall be prescribed by the board.

SECTION 1352. Arkansas Code § 17-17-308(7), concerning the Auctioneer's Licensing Board's authority to suspend or revoke a license, is amended to read as follows:

(7) Willfully violating a rule ~~or regulation~~ promulgated by the board;

SECTION 1353. Arkansas Code § 17-17-308(11), concerning the

Auctioneer's Licensing Board's authority to suspend or revoke a license, is amended to read as follows:

(11) Failing to complete or submit the continuing education requirements as specified by this chapter and the rules ~~and regulations~~ adopted by the board; or

SECTION 1354. Arkansas Code § 17-17-311(b), concerning the Auctioneer's Licensing Board's authority to require continuing education, is amended to read as follows:

(b) All programs of continuing education for licensed auctioneers shall be subject to approval of the board. The board is authorized to prescribe by ~~regulations~~ rule the minimum standards and requirements for continuing education programs for auctioneers, the procedures and policies for administering such programs, and the manner and conditions under which credit will be granted for participation in such programs.

SECTION 1355. Arkansas Code § 17-17-312(k), concerning the Auctioneer's Licensing Board's criminal background check requirement, is amended to read as follows:

(k) The board shall adopt the necessary rules ~~and regulations~~ to fully implement the provisions of this section.

SECTION 1356. Arkansas Code § 17-18-102 is amended to read as follows:

17-18-102. Penalty.

A person who violates this chapter or a ~~regulation~~ rule hereunder shall be fined not less than twenty-five dollars ($25.00) and not more than five hundred dollars ($500).

SECTION 1357. Arkansas Code § 17-18-103 is amended to read as follows:

17-18-103. Authority of Department of Arkansas State Police.

The Department of Arkansas State Police is empowered to make and enforce reasonable ~~regulations~~ rules to effectuate the purpose of this chapter.

SECTION 1358. Arkansas Code § 17-19-106(b)(5), concerning the Professional Bail Bond Company and Professional Bail Bondsman Licensing

Board, is amended to read as follows:

(5) The board shall have the authority to adopt and enforce such reasonable rules ~~and regulations~~ as it shall determine to be necessary to enable it to effectively and efficiently carry out its official duty of licensing and regulating professional bail bond companies and professional bail bondsmen.

SECTION 1359. Arkansas Code § 17-19-108 is amended to read as follows:

17-19-108. Rules ~~and regulations~~.

The Professional Bail Bond Company and Professional Bail Bondsman Licensing Board shall adopt such reasonable rules ~~and regulations~~ as it shall deem necessary to assure the effective and efficient administration of §§ 17-19-107 and 17-19-212 and § 17-19-401 et seq.

SECTION 1360. Arkansas Code § 17-19-202(d)(5)(G)(iii), concerning application for a professional bail bondsman license or professional bail bond company license, is amended to read as follows:

(iii) A professional bail bond company that does not contest the sworn affidavit of a transferring agent is not precluded by the failure to contest the sworn affidavit from filing a complaint that alleges a violation of the applicable statutes~~,~~ or rules~~, or regulations~~ by the transferring agent upon discovery of the alleged violation by the professional bail bond company.

SECTION 1361. Arkansas Code § 17-19-207(b), concerning the expiration and renewal of a license issued by the Professional Bail Bond Company and Professional Bail Bondsman Licensing Board, is amended to read as follows:

(b) The Professional Bail Bond Company and Professional Bail Bondsman Licensing Board may refuse to renew a license for any cause for which issuance of the original license could have been refused or for the licensee's violation of any of the provisions of this chapter or the rules ~~and regulations~~ of the board.

SECTION 1362. Arkansas Code § 17-19-210(b)(1), concerning the Professional Bail Bond Company and Professional Bail Bondsman Licensing Board suspension and penalties review process, is amended to read as follows:

(1) Violated any provision of or any obligation imposed by this chapter or any lawful rule~~, regulation,~~ or order of the board or has been convicted of a felony or any offense involving moral turpitude;

SECTION 1363. Arkansas Code § 17-19-210(b)(8), concerning the Professional Bail Bond Company and Professional Bail Bondsman Licensing Board suspension and penalties review process, is amended to read as follows:

(8) Failed to comply with the provisions of the laws of this state, or rule~~, regulation,~~ or order of the board for which issuance of the license could have been refused had it then existed and been known to the board.

SECTION 1364. Arkansas Code § 17-19-212 is amended to read as follows:

17-19-212. Licenses.

Each applicant for an initial bail bondsman license who satisfactorily completes the examination and meets the other qualifications and requirements prescribed by law, including the completion of a minimum of eight (8) hours of education in subjects pertaining to the authority and responsibilities of a bail bondsman and a review of the laws and ~~regulations~~ rules relating thereto, shall be licensed by the Professional Bail Bond Company and Professional Bail Bondsman Licensing Board.

SECTION 1365. Arkansas Code § 17-19-301(c), concerning the premium or compensation for giving bond or depositing money or property as bail, is amended to read as follows:

(c) If a bail bond or appearance bond issued by a licensee under this chapter must be replaced with another bail bond or appearance bond because of the licensee's violation of any provision of the laws of this state or any rule~~, regulation,~~ or order of the Professional Bail Bond Company and Professional Bail Bondsman Licensing Board, the licensee who violated the provision and who caused the replacement to be required shall pay all the premium amount for the replacement bond, in an amount not to exceed the amount of the original bond, without any contribution from the respective defendant or principal.

SECTION 1366. Arkansas Code § 17-20-308(8) and (9), concerning grounds

for disciplinary action by the State Board of Barber Examiners, are amended to read as follows:

(8) The violation of any of the sanitary ~~regulations~~ rules promulgated by either the board or the Department of Health for the regulation of barbershops and barber schools; or

(9) Continuing employment in a barbershop wherein the sanitary ~~regulations~~ rules of the board or the department promulgated for the regulation of barbershops or barber schools are known by the registered barber or registered apprentice to be violated.

SECTION 1367. Arkansas Code § 17-20-410 is amended to read as follows:

17-20-410. Revocation or suspension of certificate.

The State Board of Barber Examiners may revoke or suspend any certificate of school license or registration upon finding that the school or college fails to comply with the provisions of this subchapter or with the rules ~~and regulations~~ prescribed by the board.

SECTION 1368. Arkansas Code § 17-20-423 is amended to read as follows:

17-20-423. Sanitary rules ~~and regulations~~.

Each barber college shall furnish each student upon enrollment a copy of the rules ~~and regulations~~ governing sanitary conditions of barber shops of this state as registered with the Secretary of State.

SECTION 1369. Arkansas Code § 17-21-103 is amended to read as follows:

17-21-103. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration may adopt rules ~~and regulations~~ to administer the provisions of this chapter. The rules ~~and regulations~~ shall be adopted in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1370. Arkansas Code § 17-22-201(d), concerning the creation of the State Athletic Commission, is amended to read as follows:

(d) The members of the commission shall have authority to promulgate such rules ~~and regulations~~ as are necessary for the operation and enforcement of this chapter and not in conflict with this chapter.

SECTION 1371. Arkansas Code § 17-22-204(c), concerning the authority of the State Athletic Commission, is amended to read as follows:

(c) The commission shall have the authority to adopt and promulgate, amend, or abrogate any and all rules ~~and regulations~~ considered by it necessary or expedient for the performance of its functions as provided in this chapter and in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1372. Arkansas Code § 17-22-204(f), concerning the authority of the State Athletic Commission, is amended to read as follows:

(f) The commission shall have the authority to require event permits and insurance for combative sports with limits to be adjusted by the rules ~~and regulations~~ of the commission.

SECTION 1373. Arkansas Code § 17-22-206 is amended to read as follows:

17-22-206. Combative sports.

The General Assembly finds and declares to be the public policy of this state that it is in the best interest of the public and combative sports that combative sports be subject to an effective and efficient system of strict control and ~~regulation~~ rule in order to protect the safety and well-being of the participants in combative sports matches and exhibitions and to promote the public confidence in the regulatory process and the conduct of combative sports matches and exhibitions. To further such public confidence and trust, the State Athletic Commission shall have the authority to adopt and promulgate, amend, or abrogate any and all rules ~~and regulations~~ concerning combative sports, to recover inspector and investigator fees, and recover the actual cost of the national and federal fighter database fees charged to the commission.

SECTION 1374. Arkansas Code § 17-22-207(a), concerning the authority of the State Athletic Commission to assess civil penalties, is amended to read as follows:

(a) Any person who, after notice and hearing, is found by the State Athletic Commission to have violated any provision of this chapter or any rules ~~or regulations~~ of the commission may be assessed a civil penalty not to exceed two thousand five hundred dollars ($2,500) for each violation.

SECTION 1375. Arkansas Code § 17-22-301 is amended to read as follows:

17-22-301. Authorized matches and exhibitions.

(a) All combative sports matches or exhibitions in this state are subject to the requirements of this chapter and the rules ~~and regulations~~ of the State Athletic Commission unless exempted by § 17-22-204(a) or § 17-22-101(3)(B).

(b) All matches or exhibitions as provided in subsection (a) of this section shall be conducted only in accordance with the provisions of this chapter and acts amendatory or supplemental hereto and in accordance with the rules ~~and regulations~~ of the commission.

SECTION 1376. Arkansas Code § 17-24-203 is amended to read as follows:

17-24-203. Rules ~~and regulations~~.

(a) The State Board of Collection Agencies shall have the authority to promulgate rules ~~and regulations~~ to implement the provisions of this chapter which are not inconsistent herewith.

(b) The board shall use, to the greatest extent possible, the interpretation and construction of the Fair Debt Collection Practices Act and any other applicable portions of the debt collection laws of the United States in interpreting and applying this chapter and the rules ~~and regulations~~ promulgated by the board.

SECTION 1377. Arkansas Code § 17-25-203(a), concerning the powers of the Contractors Licensing Board, is amended to read as follows:

(a) The Contractors Licensing Board shall have power to make such bylaws~~,~~ and rules~~, and regulations~~ for its operation as it shall consider appropriate, provided that they are not in conflict with the laws of the State of Arkansas.

SECTION 1378. Arkansas Code § 17-25-205 is amended to read as follows:

17-25-205. Disposition of funds.

The fees of the Contractors Licensing Board shall be deposited into banks to be used by the board in the manner prescribed by law, similar to the accounts of other examining and licensing boards of the state, and shall be audited under rules ~~and regulations~~ prescribed by the Director of the

Department of Finance and Administration.

SECTION 1379. Arkansas Code § 17-25-306(b), concerning the Contractors Licensing Board's authority to require an examination prior to certification, is amended to read as follows:

(b) If the result of the examination of any applicant shall be satisfactory to the Contractors Licensing Board, and if the application complies with the board's rules ~~and regulations~~, then the board shall issue to the applicant a certificate to engage in contracting in the State of Arkansas.

SECTION 1380. Arkansas Code § 17-25-310 is amended to read as follows:

17-25-310. Replacement.

A certificate of license to replace any lost, destroyed, or mutilated certificate may be issued subject to the rules ~~and regulations~~ of the Contractors Licensing Board.

SECTION 1381. Arkansas Code § 17-25-315(a)(1), concerning the Contractors Licensing Board rules regarding contractor qualifications for federally funded projects, is amended to read as follows:

(a)(1) The Contractors Licensing Board shall have the power to promulgate rules ~~and regulations~~ for the efficient enforcement of this chapter and shall also have the power to assign the right or give permission to any state agency, board, or commission to determine qualifications of a contractor solely for the purpose of submitting a bid to the state agency, board, or commission on projects involving federal aid funds before the contractor's being licensed by the Contractors Licensing Board.

SECTION 1382. Arkansas Code § 17-25-315(b)(1), concerning the Contractors Licensing Board rules regarding contractor qualifications for federally funded projects, is amended to read as follows:

(b)(1) The Contractors Licensing Board shall have the power to provide by ~~regulation~~ rule for any political subdivision or other political corporation to accept bids from unlicensed contractors for projects involving federal funds.

SECTION 1383. Arkansas Code § 17-25-408(e), concerning failure to comply with requirements of the Contractors Licensing Board, is amended to read as follows:

(e) The board shall have the power to make such rules ~~and regulations~~ for enforcement as it may consider appropriate and not in conflict with Arkansas law.

SECTION 1384. Arkansas Code § 17-25-510(a), concerning hearings regarding violations by the Residential Contractors Committee, is amended to read as follows:

(a) The Residential Contractors Committee may conduct hearings regarding alleged violations of this subchapter or ~~regulations~~ rules promulgated thereunder, and the hearings shall be conducted in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq. The committee shall within a reasonable time make findings and determinations as a result of the hearings.

SECTION 1385. Arkansas Code § 17-26-105(1), concerning grounds for disciplinary action by the Cosmetology Technical Advisory Committee, is amended to read as follows:

(1) Failure of a person, firm, or corporation operating a cosmetological establishment or school of cosmetology or engaged in the practice of cosmetology or any of its branches to comply with the requirements of this chapter and the ~~regulations~~ rules of the Cosmetology Technical Advisory Committee;

SECTION 1386. Arkansas Code § 17-27-203(b), concerning the duties and powers of the Arkansas Board of Examiners in Counseling, is amended to read as follows:

(b) The board shall adopt rules~~, regulations,~~ and procedures as it deems necessary for the performance of its duties.

SECTION 1387. Arkansas Code § 17-27-301(3), concerning the qualifications for a licensed professional counselor, is amended to read as follows:

(3) The applicant is not in violation of any of the provisions

of this chapter and the rules ~~and regulations~~ adopted under this chapter;

SECTION 1388. Arkansas Code § 17-27-303(3), concerning qualifications for a licensed marriage and family therapist, is amended to read as follows:

(3) The applicant is not in violation of any of the provisions of this chapter and the rules ~~and regulations~~ adopted hereunder;

SECTION 1389. Arkansas Code § 17-27-313(k), concerning criminal background checks by the Arkansas Board of Examiners in Counseling, is amended to read as follows:

(k) The board shall adopt the necessary rules ~~and regulations~~ to fully implement the provisions of this section.

SECTION 1390. Arkansas Code § 17-27-406(a), concerning the powers and duties of the State Board of Examiners of Alcoholism and Drug Abuse Counselors, is amended to read as follows:

(a) The State Board of Examiners of Alcoholism and Drug Abuse Counselors shall administer and enforce the provisions of this subchapter and shall adopt rules ~~and regulations~~ consistent with its provisions, including a code of ethical practice.

SECTION 1391. Arkansas Code § 17-28-102(b), concerning electrical licenses, construction, and exemptions, is amended to read as follows:

(b) Nothing in this chapter shall be construed to require an individual to hold a license before doing electrical work on his or her primary residence except as otherwise required by state law, rules, regulations, or local ordinances. The exemption from compliance with the licensing standards shall not be referred to in any way and shall not be any evidence of the lack of negligence or the exercise of due care by a party at a trial of any civil action to recover damages by any party.

SECTION 1392. Arkansas Code § 17-28-102(c)(2), concerning electrical licenses, construction, and exemptions, is amended to read as follows:

(2) Any person licensed by the Commission on Water Well Construction pursuant to the provisions of the Arkansas Water Well Construction Act, § 17-50-101 et seq., and subject to that commission's

~~regulations~~ rules and to the National Electric Code may run power and control wiring from an existing disconnect box to water well equipment without obtaining an electrician's license as required by this chapter. Nothing in this subdivision (c)(2) shall be construed to allow a licensed water well installer or contractor to alter the existing electrical service to any building or structure.

SECTION 1393. Arkansas Code § 17-28-202(b)(2), concerning the duties of the Board of Electrical Examiners of the State of Arkansas and Department of Labor, is amended to read as follows:

(2) For the enforcement of this chapter, the Director of the Department of Labor or his or her designated employees shall have the authority to enter, during normal business hours, upon any private or public premises with right of access, ingress, and egress for the purpose of ascertaining whether a person has performed electrical work or installed or repaired electrical facilities in accordance with this chapter, the Arkansas Electrical Code Authority Act, § 20-31-101 et seq., and the ~~regulations~~ rules and standards adopted pursuant thereto.

SECTION 1394. Arkansas Code § 17-28-307(b), concerning the restricted lifetime master electrician license, is amended to read as follows:

(b) The board shall promulgate rules ~~and regulations~~ necessary to carry out the provisions of this section.

SECTION 1395. Arkansas Code § 17-28-308(b), concerning electrical apprentices and the Board of Electrical Examiners of the State of Arkansas, is amended to read as follows:

(b) The board shall take such actions as are reasonably necessary or appropriate to supervise and enforce apprenticeship supervision ratios established by the board by ~~regulation~~ rule.

SECTION 1396. Arkansas Code § 17-28-309(b)(1)(C), concerning the penalties for performing electrical work without a license, is amended to read as follows:

(C) Rule~~, regulation,~~ or order issued or promulgated by the board; or

SECTION 1397. Arkansas Code § 17-28-310(a)(1), concerning a grandfather clause under the rules of the Board of Electrical Examiners of the State of Arkansas, is amended to read as follows:

(1) Is qualified by experience requirements to take the examination for a particular license classification under the provisions of this chapter and the ~~regulations~~ rules of the Board of Electrical Examiners of the State of Arkansas;

SECTION 1398. Arkansas Code § 17-29-311(a)(10), concerning prohibited conduct and sanctions by the State Board of Embalmers, Funeral Directors, Cemeteries, and Burial Services, is amended to read as follows:

(10) Violation of any state law or rule or of any municipal or county ordinance or regulation affecting the handling, custody, care, transportation, or final disposition of dead human bodies;

SECTION 1399. Arkansas Code § 17-29-311(a)(15), concerning prohibited conduct and sanctions by the State Board of Embalmers, Funeral Directors, Cemeteries, and Burial Services, is amended to read as follows:

(15) Violations of applicable law or ~~regulation~~ rules with regard to prearranged or prepaid funeral services or funeral merchandise. However, the proper regulatory agency for prearranged or prepaid funeral services or funeral merchandise shall have determined that such a violation has occurred;

SECTION 1400. Arkansas Code § 17-30-102(a)(1), concerning penalties and violations of the rules of the State Board of Licensure for Professional Engineers and Professional Surveyors, is amended to read as follows:

(a)(1) A person who practices or offers to practice engineering in this state in violation of this chapter and a person using or attempting to use as his or her own the certificate of licensure of another, who gives false evidence of any kind to the State Board of Licensure for Professional Engineers and Professional Surveyors or to any member of the board in obtaining a certificate of licensure, or who falsely impersonates any other practitioner or in any manner falsely implies that he or she is licensed or violates this chapter or the rules ~~and regulations~~ of the board is guilty of

a misdemeanor.

SECTION 1401. Arkansas Code § 17-30-105(2)(B), concerning exemptions to the general provisions regulating engineers, is amended to read as follows:

(B) An applicant for a temporary permit shall submit an application for a temporary permit and for reciprocal or comity licensure to the board in writing and, after payment of a fee established by board ~~regulation~~ rule, may be granted a written permit for a definite period of time; and

SECTION 1402. Arkansas Code § 17-31-307(e), concerning expiration and renewal of certificates of registration issued by the Arkansas State Board of Registration for Foresters, is amended to read as follows:

(e) The board may promulgate rules ~~and regulations~~ to ensure compliance with the requirements of this section.

SECTION 1403. Arkansas Code § 17-32-104 is amended to read as follows:

17-32-104. Legal and other assistance.

(a) The Attorney General or one of his or her assistants shall act as legal adviser to the State Board of Registration for Professional Geologists and render legal assistance needed to implement and enforce the provisions of this chapter and the rules ~~and regulations~~ of the board.

(b) The board may employ additional counsel with approval of the Attorney General and any other necessary assistance to aid in the enforcement of this chapter and the ~~regulations~~ rules of the board.

(c) The board may pay reasonable expenses incurred by the board for the administration of this chapter.

SECTION 1404. Arkansas Code § 17-32-201(a)(2), concerning the creation, members, and compensation of the State Board of Registration for Professional Geologists, is amended to read as follows:

(2) It shall be the duty of the board to administer this chapter and promulgate ~~regulations~~ rules for registration of qualified geological applicants.

SECTION 1405. Arkansas Code § 17-32-202(c) and (d), concerning the meeting requirements of the State Board of Registration for Professional Geologists, are amended to read as follows:

(c) ~~Regulations~~ Rules adopted by the board may provide for such additional regular meetings as necessary and for special meetings.

(d) Notice of all meetings shall be given as may be provided in the ~~regulations~~ rules.

SECTION 1406. The introductory language of Arkansas Code § 17-32-204(1), concerning the powers and duties of the State Board of Registration for Professional Geologists, is amended to read as follows:

(1) Adopt, after notice and public hearing, modify, repeal, promulgate, and enforce ~~regulations~~ rules reasonably necessary to:

SECTION 1407. Arkansas Code § 17-32-207(c)(1), concerning the official records and registers of the State Board of Registration for Professional Geologists, is amended to read as follows:

(c)(1) A complete roster showing the names, the classification, which will be geologist, specialty, or geologist-in-training, and the last known address of the registered geologists or certified geologists-in-training shall be published by the secretary-treasurer one (1) time each year or at such intervals as established by board ~~regulations~~ rules.

SECTION 1408. Arkansas Code § 17-32-208(a)(1), concerning indebtedness and the Secretary-treasurer of the State Board of Registration for Professional Geologists, is amended to read as follows:

(a)(1) The Secretary-treasurer of the State Board of Registration for Professional Geologists shall receive and account for all moneys received in accordance with state law and the ~~regulations~~ rules of the State Board of Registration for Professional Geologists.

SECTION 1409. Arkansas Code § 17-32-208(c), concerning indebtedness and the Secretary-treasurer of the State Board of Registration for Professional Geologists, is amended to read as follows:

(c) The board shall employ assistants required to properly perform its work and shall make expenditures from this account for any purpose that, in

the opinion of the board, is reasonably necessary to perform its duties under law and its rules ~~and regulations~~.

SECTION 1410. Arkansas Code § 17-32-304(b)(1), concerning the minimum qualifications for a geologist-in-training certificate, is amended to read as follows:

(1) His or her having performed the work in a responsible position as determined by the board. The adequacy of the required supervision and experience shall be determined by the board in accordance with standards set forth in ~~regulations~~ rules adopted by the board; and

SECTION 1411. Arkansas Code § 17-32-309 is amended to read as follows:

17-32-309. Certification in specialty.

(a) In addition to registering as a geologist, qualified persons may also be eligible for certification in a specialty. Specialties may be designated by the State Board of Registration for Professional Geologists by ~~regulation~~ rule, with the ~~regulations~~ rules to contain any required additional qualifications. Only a registered geologist is eligible for certification in a specialty. Application may be submitted for both registration as a geologist and certification in a specialty at the same time, but the applicant must be approved for registration as a geologist before being considered for certification in a specialty. The certification in a specialty is dependent, in every case, upon the approval of registration as a geologist.

(b) An applicant for certification in a specialty shall meet all of the requirements of a registered geologist and such other requirements as the board may establish by ~~regulation~~ rule. In addition, his or her seven (7) years of professional geological work shall include one (1) of the following:

(1) A minimum of three (3) years performed under the supervision of a registered geologist who is certified in the specialty for which the applicant is seeking certification; or

(2) A minimum of five (5) years of experience in responsible charge of geological work in the specialty for which the applicant is seeking certification.

SECTION 1412. Arkansas Code § 17-32-311(a)(8), concerning denial of a

registration certificate by the State Board of Registration for Professional Geologists, is amended to read as follows:

(8) Aiding or assisting another person in violating any provision of this chapter or the rules ~~or regulations~~ pertaining to this chapter.

SECTION 1413. Arkansas Code § 17-33-102(d), concerning exemptions from the chapter addressing heating, ventilation, air conditioning, and refrigeration workers, is amended to read as follows:

(d) Any person exempt under this section is required to conform to ~~regulations~~ rules on the performance of HVACR work as well as obtaining local permits and inspections as may be required by local ordinance.

SECTION 1414. Arkansas Code § 17-33-105(a)(1)(A)(i), concerning penalties for violations of the chapter addressing heating, ventilation, air conditioning, and refrigeration workers, is amended to read as follows:

(a)(1)(A)(i) Any person who violates any provision of this chapter or violates any rule~~, regulation,~~ or order of the HVACR Licensing Board or any permit, license, or certification may be assessed a civil penalty by the board in accordance with the ~~regulations~~ rules issued by the board.

SECTION 1415. Arkansas Code § 17-33-105(b)(1), concerning penalties for violations of the chapter addressing heating, ventilation, air conditioning, and refrigeration workers, is amended to read as follows:

(1) Enjoin or restrain any violation of or compel compliance with the provisions of this chapter and any rules~~, regulations,~~ or orders issued thereunder;

SECTION 1416. Arkansas Code § 17-33-202(1), concerning the powers and duties of the HVACR Licensing Board, is amended to read as follows:

(1) Adopt certain rules ~~and regulations~~ to ensure the proper administration and enforcement of this chapter;

SECTION 1417. Arkansas Code § 17-33-202(8), concerning the powers and duties of the HVACR Licensing Board, is amended to read as follows:

(8) Establish by board ~~regulation~~ rule a minimum level of

general liability insurance coverage for a license if the board determines that a specific class of license requires insurance coverage;

SECTION 1418. Arkansas Code § 17-33-205(a)(3), concerning the disposition of fees and payments to the HVACR Licensing Fund, is amended to read as follows:

(3) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Health is hereby authorized to transfer all unexpended funds relative to the program that pertain to fees collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 1419. Arkansas Code § 17-33-303(a)(6), concerning the powers and duties of the HVACR Licensing Board, is amended to read as follows:

(6) Class L — Entitles a licensee to apply for and obtain a restricted lifetime license without having to pay a license fee in any specific category of license as defined in this chapter. The applicant must be at least sixty-five (65) years of age and hold a current license in good standing with the board. The board shall promulgate rules ~~and regulations~~ to define the specific requirements of the lifetime license.

SECTION 1420. Arkansas Code § 17-33-303(b), concerning the powers and duties of the HVACR Licensing Board, is amended to read as follows:

(b) The board shall promulgate rules ~~and regulations~~ necessary to carry out the provisions of this section.

SECTION 1421. Arkansas Code § 17-33-304 is amended to read as follows:

17-33-304. Display of license number.

Every individual licensed under this chapter shall display his or her HVACR license number on all his or her business vehicles and in all forms of advertising in a manner prescribed by the rules ~~and regulations~~ promulgated by the HVACR Licensing Board.

SECTION 1422. Arkansas Code § 17-33-307(3), concerning the grounds for suspension or revocation of a license or registration by the HVACR Licensing

Board, is amended to read as follows:

(3) Violated any provisions of this chapter or any rule~~,~~ ~~regulation,~~ or order prescribed by the board.

SECTION 1423. Arkansas Code § 17-35-702(a)(3), concerning the powers and duties of the State Board of Registered Residential Interior Designers, is amended to read as follows:

(3) Shall adopt ~~regulations~~ rules in the manner prescribed by the Arkansas Administrative Procedure Act, § 25-15-201 et seq., to carry out the purposes and policies of §§ 17-35-601 — 17-35-606, 17-35-701, 17-35-702, and 17-35-801 — 17-35-803, including ~~regulations~~ rules relating to professional conduct, standards of performance and professional examination and registration, registration renewal requirements, application, renewal, and late fees, suspension and revocation of registrations, and the establishment of a code of ethics for persons registered under §§ 17-35-601 — 17-35-606, 17-35-701, 17-35-702, and 17-35-801 — 17-35-803;

SECTION 1424. Arkansas Code § 17-36-307(c)(1), concerning revocation proceedings by the Arkansas State Board of Architects, Landscape Architects, and Interior Designers, is amended to read as follows:

(c)(1) When the board determines that there is sufficient evidence of a violation of this chapter or board ~~regulations~~ rules, the board may conduct a hearing.

SECTION 1425. Arkansas Code § 17-37-102(1), concerning the definition of "agent" under the Arkansas Pest Control Law, is amended to read as follows:

(1) “Agent” means any person registered with the State Plant Board by a licensed operator to solicit or sell pest control service which the operator is licensed to perform, including the signing of contracts, making inspections for the purpose of servicing or continuing contracts, and supervising workers and working crews in carrying out pest control service, when so designated by the licensed operator, or except as may be limited by the board in its rules ~~and regulations~~ made under authority of this chapter. This is not to be construed as relieving the licensed operator in any way of being responsible for personal and direct supervision of all work performed

under his or her license;

SECTION 1426. Arkansas Code § 17-37-103(a), concerning penalties for a violation of the Arkansas Pest Control Law, is amended to read as follows:

(a) The violation of any of the provisions of this chapter or any of the rules ~~and regulations~~ of the State Plant Board promulgated under this chapter shall be deemed a misdemeanor.

SECTION 1427. Arkansas Code § 17-37-104(a), concerning injunctions issued by the State Plant Board under the Arkansas Pest Control Law, is amended to read as follows:

(a) The State Plant Board is authorized to apply to any court of competent jurisdiction for, and the court, upon hearing and for cause shown, may grant, a temporary or permanent injunction restraining any person from violating any provisions of this chapter or of the rules ~~and regulations~~ made under the authority of this chapter.

SECTION 1428. Arkansas Code § 17-37-105 is amended to read as follows:

17-37-105. Administration.

(a)(1) The State Plant Board is vested with the authority to carry out the provisions of this chapter, including the employment of necessary personnel.

(2)(A) The board shall have the authority to adopt rules ~~and regulations~~ which shall have the full force and effect of law for the purpose of carrying into effect the provisions of this chapter.

(B) The rules ~~and regulations~~ may include the authorization to require licensed operators to submit written monthly reports setting out the description and location of properties on which pest control service has been rendered and such other information relative thereto as the board shall deem necessary.

(C) The rules ~~and regulations~~ may include minimum standards for pest control service work and shall include fees sufficient to pay the cost of carrying out the provisions of this chapter.

(b) The board or its authorized representative may enter upon and inspect properties, plants, or products for the purpose of carrying out the provisions of this chapter and of carrying out the rules ~~and regulations~~ made

pursuant to this chapter.

SECTION 1429. Arkansas Code § 17-37-107(a), concerning fees collected under the Arkansas Pest Control Law, is amended to read as follows:

(a) In its rules ~~and regulations~~ made pursuant to this chapter and after a public hearing, the State Plant Board shall establish license, registration, inspection, reinspection, reporting, and examination fees sufficient to carry out the provisions of this chapter.

SECTION 1430. Arkansas Code § 17-37-206(g), concerning application to the State Plant Board for a license to perform pest control service work, is amended to read as follows:

(g) By ~~regulation~~ rule, the board shall make provisions to ensure that applicators continue to meet the requirements of changing technology and to assure a continuing level of competence and ability to use pesticides safely and properly.

SECTION 1431. Arkansas Code § 17-37-208(a), concerning the State Plant Board standards for the licensing of applicators of pesticides, is amended to read as follows:

(a) In promulgating ~~regulations~~ rules under this chapter, the State Plant Board shall prescribe standards for the licensing of applicators of pesticides.

SECTION 1432. Arkansas Code § 17-37-208(c)(2), concerning the State Plant Board standards for the licensing of applicators of pesticides, is amended to read as follows:

(2) Further, the board shall take into consideration standards of the United States Environmental Protection Agency and is authorized to adopt these standards by ~~regulation~~ rule.

SECTION 1433. Arkansas Code § 17-37-213(c), concerning the duties of licensed operators to register agents or solicitors with the State Plant Board, is amended to read as follows:

(c) In all cases in which a solicitor or agent violates the provisions of this chapter or the rules ~~and regulations~~ made under authority of this

chapter, the violations shall be grounds for invalidation of the license held by the operator under which the solicitor or agent had been registered.

SECTION 1434. Arkansas Code § 17-37-219 is amended to read as follows:

17-37-219. Automatic invalidity of license.

A license shall automatically become invalid should the licensed operator whose name appears on the license cease to personally supervise and be in direct charge of the pest control operation. The license shall remain invalid until some other person, having been examined in accordance with this chapter and the rules ~~and regulations~~ under this chapter, shall be certified as the licensed operator in his or her stead.

SECTION 1435. Arkansas Code § 17-37-221(a), concerning contracts between licensed operators and property owners to perform pest control services, is amended to read as follows:

(a) Every licensed operator shall enter into a written contract with the property owner when employed to control or eradicate termites or other structural pests, or in such other classifications as the State Plant Board may specify in its rules ~~and regulations~~ made under authority of this chapter. The contract for termite and other structural pests shall guarantee the performance of the work for at least one (1) year and that the property meets the minimum standards established by the board in its rules ~~and regulations~~ for the work, unless these standards are waived or altered upon approval of the board.

SECTION 1436. Arkansas Code § 17-37-221(c)(1), concerning contracts between licensed operators and property owners to perform pest control services, is amended to read as follows:

(c)(1) By the fifteenth of each month, every licensed operator shall file a report with the board covering termite and other structural pest work performed the previous calendar month, along with a copy of each contract issued for the prevention, control, or eradication of termites and other structural pests and any other information deemed necessary by the board and stipulated in the rules ~~and regulations~~ made under authority of this chapter.

SECTION 1437. Arkansas Code § 17-38-101(8), concerning the definition

of "master plumber" under the chapter governing plumbers, is amended to read as follows:

(8) “Master plumber” means any person skilled in the planning, superintending, and practical installation of plumbing and familiar with the laws~~,~~ and rules~~, and regulations~~ governing it;

SECTION 1438. Arkansas Code § 17-38-102(d)(1), concerning the penalties and prohibitions under the laws governing plumbing, is amended to read as follows:

(d)(1) Every firm, person, or corporation who violates any of the provisions of this chapter or the rules ~~or regulations~~ or orders issued or promulgated by the State Board of Health or who violates any condition of a license, permit, certificate, or any other type of registration issued by the committee may be assessed a civil penalty by the committee.

SECTION 1439. Arkansas Code § 17-38-102(f) and (g), concerning the penalties and prohibitions under the laws governing plumbing, are amended to read as follows:

(f) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the department is authorized to transfer all unexpended funds relative to fines collected under this section, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

(g) All rules ~~and regulations~~ promulgated pursuant to this section shall be reviewed by the House Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees thereof.

SECTION 1440. Arkansas Code § 17-38-104(a)(1), concerning inspections by Department of Health inspectors in cities having enforcement officers, is amended to read as follows:

(a)(1) The Department of Health inspectors may go into any city that has a city code enforcement officer and assist the city code enforcement officer for the purpose of ensuring that the minimum standards of the state plumbing code and plumber licensing ~~regulations~~ rules are being met.

SECTION 1441. Arkansas Code § 17-38-105(4)(B), concerning exceptions to the statutes governing plumbers, is amended to read as follows:

(B) This exemption applies to any existing or future plumbing codes~~,~~ or rules~~, or regulations~~ promulgated by the State Board of Health, or its successor agency.

SECTION 1442. Arkansas Code § 17-38-201(a)(2)(B), concerning the powers and duties of the State Board of Health, is amended to read as follows:

(B) The Director of the Department of Health or any employee of the Department of Health designated by the board may act for the State Board of Health except in adoption of rules ~~and regulations~~;

SECTION 1443. Arkansas Code § 17-38-201(a)(3), concerning the powers and duties of the State Board of Health, is amended to read as follows:

(3) To prescribe rules ~~and regulations~~ as to the qualifications, examination, and licensing of master plumbers and journeyman plumbers and for the registration of apprentice plumbers;

SECTION 1444. Arkansas Code § 17-38-201(a)(5), concerning the powers and duties of the State Board of Health, is amended to read as follows:

(5)(A) To prescribe rules ~~and regulations~~ as to the use of corrugated stainless steel piping.

(B) Such rules ~~and regulations~~ shall be no more stringent than the American National Standards for Interior Fuel Gas Piping Systems; and

SECTION 1445. Arkansas Code § 17-38-201(a)(6)(B), concerning the powers and duties of the State Board of Health, is amended to read as follows:

(B) As used in subdivision (a)(6)(A) of this section, “qualified agency” means any individual, firm, corporation, or company which either in person or through a representative is engaged in and is responsible for the installation, replacement, or repair of consumer gas piping, or the connection, installation, repair, or servicing of gas utilization equipment,

and is experienced in such work and familiar with all precautions required and has complied with all requirements of the State Board of Health and Department of Health and the codes and ~~regulations~~ rules.

SECTION 1446. Arkansas Code § 17-38-201(b), concerning the powers and duties of the State Board of Health, is amended to read as follows:

(b) The State Board of Health shall ~~by regulation~~ prescribe rules ~~and regulations~~ governing plumbing apprentice training committees and, in cooperation with educational authorities, assist in related training programs for plumbers.

SECTION 1447. Arkansas Code § 17-38-201(c)(7), concerning the powers and duties of the State Board of Health, is amended to read as follows:

(7) Issue restricted licenses limited to gas fitter, residential and governmental maintenance, service line installation, solar mechanic, and hospital maintenance licenses if the licensee has demonstrated competency for the particular phase of plumbing for which the person is licensed and if the State Board of Health has adopted ~~regulations~~ rules defining restrictions in the type of work allowed, geographical area served, and term of the type of restricted license; and

SECTION 1448. Arkansas Code § 17-38-201(d)(1), concerning the powers and duties of the State Board of Health, is amended to read as follows:

(d)(1) The State Board of Health shall prescribe rules ~~and regulations~~ as to the qualifications, examination, and licensing of master plumbers and journeyman plumbers and for the registration of plumbing apprentices.

SECTION 1449. Arkansas Code § 17-38-202(d), concerning the Committee of Plumbing Examiners, is amended to read as follows:

(d) When so directed, the committee and other employees of the department shall serve the board in an advisory capacity in the formulating of rules ~~and regulations~~ to be adopted by the board.

SECTION 1450. Arkansas Code § 17-38-203(a), concerning the governing of plumbing apprentice training committees, is amended to read as follows:

(a) The State Board of Health shall ~~by regulation~~ prescribe rules ~~and~~

~~regulations~~ governing plumbing apprentice training committees and, in cooperation with educational authorities, assist in related training programs for plumbers.

SECTION 1451. Arkansas Code § 17-38-301(a)(1), concerning the license required to work as a plumber, is amended to read as follows:

(a)(1) No person shall engage in work as a master plumber, journeyman plumber, apprentice plumber, or restricted license holder called for under this chapter or adopted ~~regulations~~ rules unless first licensed or registered to do so by the Department of Health.

SECTION 1452. Arkansas Code § 17-38-304(i), concerning application to be a master plumber or journeyman plumber, is amended to read as follows:

(i) The committee shall consider an apprentice plumber for the journeyman plumber examination, provided the apprentice plumber has successfully completed the training as defined under the plumber apprenticeship ~~regulations~~ rules.

SECTION 1453. Arkansas Code § 17-38-305 is amended to read as follows:

17-38-305. Fees.

By ~~regulation~~ rule and after public hearings, the State Board of Health may set reasonable license or examination fees for all licenses called for under this chapter, including, but not limited to, master plumber licenses, journeyman plumber licenses, apprentice plumber registration, gas utility licenses, and restricted plumber licenses.

SECTION 1454. Arkansas Code § 17-38-308(a), concerning renewal of plumbing licenses, is amended to read as follows:

(a) All licenses shall be renewed annually within thirty (30) days after the expiration date of the license. The Department of Health may renew a license after the thirty-day period if there is sufficient reason for not renewing the license in the time specified and after payment of penalties as prescribed by ~~regulation~~ rule.

SECTION 1455. Arkansas Code § 17-38-309(3), concerning grounds for suspension or revocation of plumbing licenses, is amended to read as follows:

(3) Has willfully violated any provisions of this chapter or any rule~~, regulation,~~ or order prescribed by the State Board of Health.

SECTION 1456. Arkansas Code § 17-38-311(b), concerning restricted lifetime master plumber licenses, is amended to read as follows:

(b) The department shall promulgate rules ~~and regulations~~ necessary to carry out the provisions of this section.

SECTION 1457. Arkansas Code § 17-38-402(2) and (3), concerning the powers of the Career Education and Workforce Development Board, are amended to read as follows:

(2) To adopt rules ~~and regulations~~ as to the qualifications, training, and supervision of apprentice plumbers subject to the approval of the Department of Health;

(3) To adopt rules ~~and regulations~~ establishing the roles and duties of the following organizations or officials in the plumbing apprenticeship program in compliance with the National Plumbing Standards as approved and registered with the United States Department of Labor, Bureau of Apprenticeship and Training:

(A) The Department of Career Education;

(B) The State Apprenticeship Committee; and

(C) The local apprenticeship committee; and

SECTION 1458. Arkansas Code § 17-42-108(a)(2), concerning the disclosure required by a real estate licensee, is amended to read as follows:

(2) A licensee may represent more than one (1) party to a real estate transaction pursuant to and subject to ~~regulations and~~ rules of the Arkansas Real Estate Commission.

SECTION 1459. Arkansas Code § 17-42-202(b)(1), concerning organization of the Arkansas Real Estate Commission, is amended to read as follows:

(b)(1) The commission shall employ an executive director and such staff as may be necessary to carry out the provisions of this chapter and to put into effect the rules ~~and regulations~~ the commission may promulgate.

SECTION 1460. Arkansas Code § 17-42-203(a), concerning the powers and

duties of the Arkansas Real Estate Commission, is amended to read as follows:

(a) The Arkansas Real Estate Commission may do all things necessary and convenient for carrying into effect the provisions of this chapter and may from time to time promulgate necessary or desirable rules ~~and regulations~~.

SECTION 1461. Arkansas Code § 17-42-305(a)(3), concerning the nonresident license requirements for real estate licensees, is amended to read as follows:

(3) Sign a statement that the applicant has read the Real Estate License Law, this chapter, and ~~regulations~~ rules and agrees to abide by its provisions in all real estate activity;

SECTION 1462. Arkansas Code § 17-42-311(a)(2), concerning violations of the rules governing real estate licensees, is amended to read as follows:

(2) Violating any of the provisions of this chapter or any rules ~~or regulations~~ adopted pursuant to this chapter or any order issued under this chapter;

SECTION 1463. Arkansas Code § 17-42-312(d)(2)(B), concerning the investigation of complaints, citations, and penalties by the Arkansas Real Estate Commission, is amended to read as follows:

(B) The specific violation and related statute~~, regulation,~~ or rule;

SECTION 1464. Arkansas Code § 17-42-315(k), concerning a criminal background check by the Arkansas Real Estate Commission, is amended to read as follows:

(k) The commission may adopt rules ~~and regulations~~ to fully implement the provisions of this section.

SECTION 1465. Arkansas Code § 17-42-316(b)(2)(F), concerning the agency relationship between a real estate licensee and the licensee's client, is amended to read as follows:

(F) Comply with all requirements of this section and other applicable statutes~~,~~ and rules~~, and regulations~~;

SECTION 1466. Arkansas Code § 17-42-405(a), concerning an additional fee paid to the Arkansas Real Estate Commission by a real estate broker and salesperson, is amended to read as follows:

(a) In addition to the other fees provided for in this chapter and ~~regulations~~ rules of the Arkansas Real Estate Commission, each licensed real estate broker and salesperson shall pay to the commission for the benefit of the Real Estate Recovery Fund a fee as the commission may require, not to exceed the lesser of:

(1) Twenty-five dollars ($25.00) per annual renewal; or

(2) An amount sufficient to restore the fund balance to two hundred fifty thousand dollars ($250,000).

SECTION 1467. Arkansas Code § 17-42-406(a)(1), concerning the disciplinary hearing procedure for the Arkansas Real Estate Commission, is amended to read as follows:

(a)(1) In any disciplinary hearing before the Arkansas Real Estate Commission which involves any licensee who has allegedly violated any provision of this chapter or commission ~~regulations~~ rules, the commission shall first determine whether a violation has occurred.

SECTION 1468. Arkansas Code § 17-42-702(d)(2), concerning the prohibition of interference with licensee relationships, is amended to read as follows:

(2) Authorize the payment of a referral fee that is otherwise prohibited by law or ~~regulation~~ rule of the Arkansas Real Estate Commission.

SECTION 1469. Arkansas Code § 17-43-203(e), concerning the powers and duties of the Arkansas State Board of Sanitarians, is amended to read as follows:

(e) As a means to maintain professional competency, the board shall promulgate rules ~~and regulations~~ establishing standards for continuing education. The continuing education units shall be direct participation in a course or courses approved by the board. The standards shall be established in a manner to assure that a variety of alternative forms of continuing education are available to registered sanitarians, including, but not limited

to, academic studies, in-service education, institutes, seminars, lectures, conferences, workshops, extension courses, home study programs, articles published, and scientific papers published. The standards should recognize specialized areas of endeavor. The board may contract with another agency or association to perform part or all of the duties in establishing procedures to record and retain continuing education units data for all registered sanitarians in good standing.

SECTION 1470. Arkansas Code § 17-43-206 is amended to read as follows:

17-43-206. Board seminars or workshops — Travel expenses.

The Arkansas State Board of Sanitarians may authorize payments to be made to each registered sanitarian as partial reimbursement for actual travel expenses incurred, but not to exceed the amounts authorized for state employees for such expenses and not otherwise reimbursed, in attending seminars or workshops sponsored by the board in accordance with state travel ~~regulations~~ rules.

SECTION 1471. Arkansas Code § 17-45-102 is amended to read as follows:

17-45-102. Rules ~~and regulations~~.

The Department of Health shall promulgate rules ~~and regulations~~ for the administration of this chapter, including the collection of the fees provided for in § 17-45-103.

SECTION 1472. Arkansas Code § 17-45-103(e), concerning septic tank cleaners' licenses, fees, and transfer of funds, is amended to read as follows:

(e) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the department is authorized to transfer all unexpended funds relative to septic tank cleaners' licenses that pertain to fees collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 1473. Arkansas Code § 17-47-202(2), concerning the powers of the Arkansas State Board of Registration for Professional Soil Classifiers, is amended to read as follows:

(2) Adopt and amend all bylaws~~,~~ and rules of procedure~~, and regulations~~ to administer and carry out the provisions of this chapter and for the conduct of its affairs and functions, consistent with this chapter and the Arkansas Constitution and laws of this state, which may be reasonably necessary for the proper performance of its duties and the regulation of its proceedings, meetings, records, examinations, and the conduct thereof;

SECTION 1474. Arkansas Code § 17-48-102(b)(1)(B), concerning the penalties and enforcement authority of the State Board of Licensure for Professional Engineers and Professional Surveyors, is amended to read as follows:

(B) Fails or refuses to comply with any laws relating to the licensure and practice of engineers, professional surveyors, or surveyor interns or any rules ~~or regulations~~ adopted by the board under the authority granted in such laws.

SECTION 1475. Arkansas Code § 17-50-104(a)(2)(B), concerning violations of the rules of the Commission on Water Well Construction, is amended to read as follows:

(B) The report on well construction shall contain such information as may be requested by appropriate rules ~~and regulations~~ of the commission and shall be upon forms supplied by the commission;

SECTION 1476. Arkansas Code § 17-50-104(a)(3), concerning violations of the rules of the Commission on Water Well Construction, is amended to read as follows:

(3) Any person to install, construct, repair, or alter a water well or well pumping equipment which is not in compliance with appropriate rules ~~and regulations~~ or is a health hazard;

SECTION 1477. Arkansas Code § 17-50-105(b), concerning criminal penalties for violations of the rules of the Commission on Water Well Construction, is amended to read as follows:

(b) Any person who violates any other provision of this chapter, ~~regulations~~ rules issued under this chapter, or order pursuant to this chapter shall be guilty of a Class B misdemeanor.

SECTION 1478. Arkansas Code § 17-50-106(a), concerning alternative civil penalties for violations of the rules of the Commission on Water Well Construction, is amended to read as follows:

(a) Whenever the Commission on Water Well Construction, after a hearing conducted in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., finds that a person has violated the provisions of this chapter or any rules ~~or regulations~~ promulgated by the commission pursuant to the authority granted in this chapter, the commission shall have the power and authority to impose a civil penalty on the person in lieu of prosecuting the person under § 17-50-105.

SECTION 1479. Arkansas Code § 17-50-107 is amended to read as follows:

17-50-107. Scope.

(a) No person shall construct, repair, or abandon, or cause to be constructed, repaired, or abandoned, any water well without complying with the provisions of this chapter and the rules ~~and regulations~~ adopted pursuant to it.

(b) The provisions of this chapter and rules ~~and regulations~~ adopted pursuant to it shall not be construed to repeal the provisions of any other law or ordinance of any municipality establishing standards with respect to water well drilling or pump installation and shall prevail concurrently with such other law or ordinance.

SECTION 1480. Arkansas Code § 17-50-108(b), concerning exemptions and limitations granted by the Commission on Water Well Construction, is amended to read as follows:

(b) Nothing in this chapter or any rule~~, regulation,~~ or order pursuant to it shall prevent a person who has not obtained a license pursuant to § 17-50-304 from constructing, altering, or repairing a water well or installing or repairing a pump or pumping equipment for use by him or her on his or her own land. This chapter shall not apply to any person owning, operating, and maintaining on May 27, 1969, any such water well unless it constitutes a public health hazard.

SECTION 1481. Arkansas Code § 17-50-108(c), concerning exemptions and

limitations granted by the Commission on Water Well Construction, is amended to read as follows:

(c)(1)(A) No water well in existence on May 27, 1969, shall be required to conform to the provisions of § 17-50-205 or any rules ~~or regulations~~ adopted pursuant thereto.

(B) However, any water well abandoned or repaired, including any well deemed to have been abandoned, as defined in this chapter, shall be brought into compliance with the requirements of this chapter and applicable rules ~~or regulations~~ with respect to abandonment of water wells.

(2) Any water well supplying water which is determined by the commission to be a health hazard must comply with the provisions of this chapter and applicable rules ~~and regulations~~ within a reasonable time after notification of the determination has been given.

SECTION 1482. Arkansas Code § 17-50-109 is amended to read as follows:

17-50-109. Enforcement procedure.

Whenever the Commission on Water Well Construction has reasonable grounds for believing that there has been a violation of this chapter or any rule ~~or regulation~~ adopted pursuant to this chapter, the commission may enforce compliance in the following manner:

(1) The commission shall give written notice to the person or persons alleged to be in violation;

(2) The notice shall identify the provisions of this chapter or ~~regulation~~ rule issued hereunder alleged to be violated and the facts alleged to constitute the violation;

(3) The notice shall be served in the manner required by law for the service of process upon a person in a civil action or by an employee of the commission and may be accompanied by an order of the commission requiring described remedial action which, if taken within the time specified in the order, will effect compliance with the requirements of this chapter and ~~regulations~~ rules issued under this chapter;

(4) The order shall become final unless a written request for hearing before the commission is made within ten (10) days from the date of service of the order; and

(5) In lieu of such an order, the commission may require the person or persons named in the notice to appear at a hearing, at a time and

place specified in the notice, after which an appropriate remedial order may issue.

SECTION 1483. Arkansas Code § 17-50-204(a), concerning the powers and duties of the Commission on Water Well Construction, is amended to read as follows:

(a) The Commission on Water Well Construction shall be responsible for the administration of this chapter and shall adopt, and from time to time amend or repeal, necessary rules ~~and regulations~~ governing the installation, construction, repair, and abandonment of water wells and pumping equipment. With respect thereto, it shall:

(1) Hold public hearings in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.;

(2) Issue such orders and take such other actions as may be necessary to enforce the provisions of this chapter and the rules ~~and regulations~~ adopted pursuant thereto;

(3) Establish procedures and forms for the submission, review, approval, and rejection of applications, notifications, and reports required under this chapter;

(4) Prepare subject matter for examinations to test the knowledge and skills of:

(A) Water well drillers in the construction, alteration, and repair of water wells, including proper sealing and abandonment of water wells, and the rules ~~and regulations~~ of this chapter;

(B) Pump installers in the planning, installation, operation, and repair of pumping equipment and water wells including sealing and abandonment, pumping efficiency, and the rules ~~and regulations~~ of this chapter; and

(C) Other persons who by trade install, alter, construct, or repair water wells and related equipment and who are eligible for license or certificate;

(5) Adopt, amend, or repeal, and publish rules ~~and regulations~~ governing examinations;

(6) Hold examinations of applicants for certificates of registration at least one (1) time a year;

(7) Grade all tests and examinations for certificates of

registration;

(8) Issue licenses, permits, or certificates for the type or class of well construction or repair or pump installation; and

(9) Perform such other duties as are consistent with the purposes of this chapter.

SECTION 1484. Arkansas Code § 17-50-205(b), concerning inspections by the Commission on Water Well Construction, is amended to read as follows:

(b) Upon the basis of such inspections, if the commission finds that applicable laws~~,~~ or rules~~, or regulations~~ have not been complied with or that a health hazard exists, the commission shall disapprove the water well. If disapproved, no water well shall thereafter be used until brought into compliance and any health hazard is eliminated.

SECTION 1485. Arkansas Code § 17-50-206 is amended to read as follows:

17-50-206. Disposition of funds.

All fees, civil penalties, or payments of any type collected by the Commission on Water Well Construction under this chapter shall be deposited into one (1) or more banks qualifying for the deposit of public funds to be used by the commission for the proper administration of this chapter. The deposits shall be audited under the rules ~~and regulations~~ prescribed by the Department of Finance and Administration.

SECTION 1486. Arkansas Code § 17-50-207(a), concerning injunctions and liability of the members of the Commission on Water Well Construction, is amended to read as follows:

(a) The Commission on Water Well Construction is authorized to seek in a court of competent jurisdiction an injunction, whether permanent or temporary, upon affidavit to prevent any person, business, corporation, or other legal entity from violating any provisions of this chapter or any rule ~~or regulation~~ promulgated by the commission under the authority of this chapter. Such injunctions shall be issued without bond.

SECTION 1487. Arkansas Code § 17-50-305(a)(1), concerning application and issuance of licenses by the Commission on Water Well Construction, is amended to read as follows:

(a)(1) The Commission on Water Well Construction may adopt, and from time to time amend or repeal, rules ~~and regulations~~ governing applications for water well contractor licenses.

SECTION 1488. Arkansas Code § 17-50-308(a), concerning licenses and suspensions issue by the Commission on Water Well Construction, is amended to read as follows:

(a) Whenever the Commission on Water Well Construction, after notice and hearing, determines that the holder of a license issued pursuant to this subchapter has violated any provision of this chapter or any rule ~~or regulation~~ adopted pursuant to it, the commission is authorized to suspend or revoke the license.

SECTION 1489. Arkansas Code § 17-50-309(b), concerning the posting of a bond by all water well contractors, is amended to read as follows:

(b) The Commission on Water Well Construction shall establish and promulgate rules establishing the amount of water well contractor's bonds based on a water well contractor's past performance or violations of the rules ~~and regulations~~ of this chapter, construction methods, type or class of construction, and business practices.

SECTION 1490. Arkansas Code § 17-51-102(b)(1), concerning penalties for violations of rules promulgated by the State Board of Health, is amended to read as follows:

(b)(1) Every firm, person, or corporation who violates this chapter or any of the rules ~~or regulations~~ issued or promulgated by the State Board of Health, or who violates any condition of a license, permit, certificate, or any other type of registration issued by the board, may be assessed a civil penalty by the board.

SECTION 1491. Arkansas Code § 17-51-102(d), concerning penalties for violations of rules promulgated by the State Board of Health, is amended to read as follows:

(d) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer of the Department of Health is authorized to transfer all unexpended funds relative to fines

collected under this section, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 1492. Arkansas Code § 17-51-103(a)(1), concerning the powers and duties of the State Board of Health, is amended to read as follows:

(1) Adopt rules ~~and regulations~~ in accordance with this chapter as may be necessary for the administration and enforcement of this chapter;

SECTION 1493. Arkansas Code § 17-51-103(b), concerning the powers and duties of the State Board of Health, is amended to read as follows:

(b) All rules ~~and regulations~~ promulgated pursuant to this chapter shall be reviewed by the House Committee on Public Health, Welfare and Labor and the Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees thereof.

SECTION 1494. Arkansas Code § 17-51-105(4), concerning the duties of the Drinking Water Advisory and Operator Licensing Committee, is amended to read as follows:

(4) To advise the board and department in all matters, upon request by the board or department, or upon its own motion, relating to the operations of, and the development of ~~regulations~~ rules for, the public water system supervision program operated by the Engineering Section of the Department of Health; and

SECTION 1495. Arkansas Code § 17-51-106(c)(2), concerning the authority of the State Board of Health to set fees, is amended to read as follows:

(2) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Health is authorized to transfer all unexpended funds relative to the Drinking Water Operator Certification Program that pertain to fees collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose in any following fiscal year.

SECTION 1496. Arkansas Code § 17-51-201(a), concerning licensure of all operators of community and noncommunity public water systems, is amended to read as follows:

(a) In order to safeguard the public health, all water system operators of community and certain noncommunity public water systems from which water is sold, distributed, or otherwise offered for human consumption, whether such water systems are publicly or privately owned and operated, shall be licensed and certified as competent by the Department of Health under the provisions of this chapter and under such rules ~~and regulations~~ as the State Board of Health may adopt under the provisions of this chapter.

SECTION 1497. Arkansas Code § 17-52-308(b)(4), concerning complaints and disciplinary hearings conducted by the Arkansas Home Inspector Registration Board, is amended to read as follows:

(4) Any actions demonstrating untrustworthiness, incompetence, dishonesty, gross negligence, material misrepresentation, fraud, or unethical conduct in any dealings subject to this subchapter or these ~~regulations~~ rules;

SECTION 1498. Arkansas Code § 17-55-101(d)(2)(A)(ii), concerning licensure of electrical inspectors by the Board of Electrical Examiners of the State of Arkansas, is amended to read as follows:

(ii) Rule~~, regulation,~~ or order issued or promulgated by the board; or

SECTION 1499. Arkansas Code § 17-55-102(a)(2)(A), concerning restrictions on licensure as an electrical inspector, is amended to read as follows:

(2)(A) This chapter shall not require an individual to hold a license before doing electrical work on his or her primary residence except as otherwise required by state law, rules, ~~regulations,~~ or local ordinances.

SECTION 1500. Arkansas Code § 17-80-104 is amended to read as follows:

17-80-104. Continuing education requirements.

(a) The regulatory boards of the professions or occupations classified by the laws of the State of Arkansas as professions of the healing arts and

for whom the General Assembly has heretofore established regulatory boards empowered to license persons who practice under conditions of licensure authorized by the General Assembly are authorized to adopt ~~regulations~~ rules requiring the continuing education of the persons licensed by the board.

(b) All ~~regulations~~ rules establishing requirements for continuing education under the provisions of this section shall be adopted in the manner and method set out in the Arkansas Administrative Procedure Act, § 25-15-201 et seq., for the adoption of rules ~~and regulations~~.

(c) The regulatory boards shall establish by ~~regulation~~ rule the number of hours of credit and the manner and methods of obtaining the hours of credit by its licensee.

(d) In the event a licensee of the board does not complete the continuing education established by the board under the provisions of this section, the board is empowered to deny renewal of the license held by the licensee or after proper hearing take such action as it considers just and proper to compel compliance with its ~~regulations~~ rules requiring continuing education.

SECTION 1501. Arkansas Code § 17-80-106(c)(3), concerning Department of Health investigations and inspections of alleged wrongdoing, is amended to read as follows:

(3) Otherwise violated the practice act or rules ~~and regulations~~ of that respective board.

SECTION 1502. Arkansas Code § 17-80-106(k), concerning Department of Health investigations and inspections of alleged wrongdoing, is amended to read as follows:

(k) Subject to rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Health is authorized to transfer all unexpended funds collected under this section as certified by the Chief Fiscal Officer of the State to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 1503. Arkansas Code § 17-80-110 is amended to read as follows:

17-80-110. Using “Doctor” as title in documentation.

In any written document or electronically transmitted document in connection with the provision of a healthcare service, no person shall use the title "Doctor", unless that title is authorized under § 17-1-101 et seq., in which case that person shall use the title in accordance with the statutes and ~~regulations~~ rules governing the particular healthcare profession or unless that person has been granted a doctoral degree in any healing arts profession and is licensed in that profession under § 17-1-101 et seq.

SECTION 1504. Arkansas Code § 17-80-111 is amended to read as follows:

17-80-111. Restrictions on "Doctor" as title in advertising.

No person shall advertise or allow oneself to be advertised by the title "Doctor" in association with the practice of one (1) of the healing arts, except in the practice of one (1) of the healthcare professions regulated under § 17-1-101 et seq., in which case that person shall use the title in accordance with the statutes and ~~regulations~~ rules governing the particular healthcare profession or unless that person has been granted a doctoral degree in any healing arts profession and is licensed in that profession under § 17-1-101 et seq.

SECTION 1505. Arkansas Code § 17-80-112 is amended to read as follows:

17-80-112. Use of "Doctor" as title in provision of healthcare services.

In connection with the provision of healthcare services, no person shall call oneself or allow oneself to be called by the title "Doctor", except in the practice of one (1) of the health care professions regulated under § 17-1-101 et seq., in which case the person shall use the title in accordance with the statutes and ~~regulations~~ rules governing the particular healthcare profession.

SECTION 1506. Arkansas Code § 17-80-113 is amended to read as follows:

17-80-113. Authorized use of "Doctor" as title.

This act shall not be construed to authorize any person to use the title "Doctor", unless that title is authorized under § 17-1-101 et seq., in which case that person shall use the title in accordance with the statutes and ~~regulations~~ rules governing the particular healthcare profession or unless that person has been granted a doctoral degree in any healing arts

profession and is licensed in that profession under § 17-1-101 et seq.

SECTION 1507. Arkansas Code § 17-81-106 is amended to read as follows:

17-81-106. Health and police ~~regulations~~ rules applicable.

Chiropractic practitioners licensed under this chapter shall be bound by all applicable health and police ~~regulations~~ rules of the state. They shall be qualified to sign death certificates, insurance certificates, and all other certificates pertaining to public health with like effect as other licensed physicians.

SECTION 1508. Arkansas Code § 17-81-206(b)(1), concerning the duties and powers of the Arkansas State Board of Chiropractic Examiners, is amended to read as follows:

(1) Promulgate suitable rules ~~and regulations~~ for carrying out its duties under the provisions of this chapter;

SECTION 1509. Arkansas Code § 17-81-206(b)(5), concerning the duties and powers of the Arkansas State Board of Chiropractic Examiners, is amended to read as follows:

(5) Adopt and, from time to time, revise such rules ~~and regulations~~ not inconsistent with the law as may be necessary to enable it to carry into effect the provisions of this chapter;

SECTION 1510. Arkansas Code § 17-81-303(d)(1), concerning the unlawful practice of chiropractic, is amended to read as follows:

(d)(1) If the board determines after due notice and a hearing that any provision of this chapter or any ~~regulation~~ rule promulgated by the board pursuant to this chapter has been violated, the board may impose a civil penalty not to exceed five thousand dollars ($5,000) per violation.

SECTION 1511. Arkansas Code § 17-82-102(2), concerning the definition of "the practice of dental hygiene" under the Arkansas Dental Practice Act, is amended to read as follows:

(2)(A) “The practice of dental hygiene” means the assessment, prevention, and treatment of oral diseases provided by a licensed dental hygienist under the supervision of a licensed dentist as set out in the

~~regulations~~ rules of the Arkansas State Board of Dental Examiners.

(B) The practice of dental hygiene shall include the removal of deposits from supergingival and subgingival surfaces of the teeth and any other services which the board may authorize by ~~regulation~~ rule and which are not prohibited by any provision of this chapter.

SECTION 1512. Arkansas Code § 17-82-104(a)(1)(B), concerning unlawful practice under the Arkansas Dental Practice Act, is amended to read as follows:

(B) A dentist or a dental corporation may practice under a fictitious name if the name has been registered with and approved by the Arkansas State Board of Dental Examiners. The fictitious name must comply with the rules ~~and regulations~~ of the board and must not be false or misleading to the general public; or

SECTION 1513. Arkansas Code § 17-82-106 is amended to read as follows:

17-82-106. Advertising.

Advertising to the general public for the purpose of soliciting business consisting of any of the acts, services, or practices enumerated in § 17-82-102 or by any ~~regulation or~~ rule promulgated by the Arkansas State Board of Dental Examiners under authority of § 17-82-208 shall not be fraudulent or misleading and shall be in conformity with rules ~~and regulations~~ adopted by the board.

SECTION 1514. Arkansas Code § 17-82-208 is amended to read as follows:

17-82-208. Rules ~~and regulations~~.

(a) The Arkansas State Board of Dental Examiners shall have the power to promulgate rules ~~and regulations~~ in order to carry out the intent and purposes of this chapter.

(b) The board shall by rule ~~or regulation~~ prescribe specifically those acts, services, procedures, and practices which constitute the practice of dentistry.

(c) The board shall also by rule ~~or regulation~~ prescribe those acts, services, procedures, and practices which may be performed by dental hygienists and dental assistants at the direction and under the direct supervision of a licensed dentist and shall impose requirements and

restrictions on the performance thereof by dental hygienists and dental assistants as it shall deem proper and necessary to protect and promote the public health and welfare of the citizens of this state.

(d) Rules ~~and regulations~~ promulgated by the board pursuant to the provisions of this section shall be adopted in accordance with the procedure prescribed in the Arkansas Administrative Procedure Act, § 25-15-201 et seq., and these rules ~~and regulations~~ shall be filed and shall be subject to judicial review as provided in that act.

(e) The board shall promulgate rules limiting the amount of Schedule II narcotics that may be prescribed and dispensed by licensees of the board.

SECTION 1515. Arkansas Code § 17-82-312(a)(2) and (3), concerning annual renewal and relicensing of a dentist or dental hygienist, are amended to read as follows:

(2) Paying all accrued renewal fees as established under § 17-82-310 and provided for in the ~~regulations~~ rules of the board, plus an additional penalty of two hundred dollars ($200); and

(3) Furnishing such proof as the board may require that, in the period since January 1 of the year when his or her license ought first to have been effected, he or she has continuously conducted himself or herself in an ethical and proper fashion and complied with the ~~regulations~~ rules of the board and the provisions of the Arkansas Dental Practice Act, § 17-82-101 et seq.

SECTION 1516. Arkansas Code § 17-82-312(b)(2)(A), concerning annual renewal and relicensing of a dentist or dental hygienist, is amended to read as follows:

(2)(A) Undergoing reexamination and passing the examination required by the ~~regulations~~ rules of the board.

SECTION 1517. Arkansas Code § 17-82-313(a)(2)(B), concerning nonresident dentist or dental hygienist license renewal, is amended to read as follows:

(B) Pass such examinations and provide such evidence and information as the board may require as delineated in its rules ~~and regulations~~.

SECTION 1518. Arkansas Code § 17-82-316(a), concerning the revocation or suspension of a license by the Arkansas State Board of Dental Examiners, is amended to read as follows:

(a) The Arkansas State Board of Dental Examiners is vested with the power to revoke or suspend for any period of time the privilege of practicing under any license issued in the State of Arkansas to any dentist, dental hygienist, or dental assistant possessing an expanded duties permit if the board finds that the licensee or permit holder has violated the Arkansas Dental Practice Act, § 17-82-101 et seq., the ~~regulations~~ rules of the board, or a previous order of the board.

SECTION 1519. Arkansas Code § 17-82-316(c), concerning the revocation or suspension of a license by the Arkansas State Board of Dental Examiners, is amended to read as follows:

(c) The board may impose one (1) or more of the penalties set out in subsection (b) of this section if the board finds that the licensed dentist, dental hygienist, or permit holder has violated the Arkansas Dental Practice Act, § 17-82-101 et seq., or the ~~regulations~~ rules of the board, or has committed one (1) or more of the following acts:

(1) The presentation to or filing with the board, for the purpose of securing a license to practice dentistry or dental hygiene or to obtain any permit issued by the board, of any diploma, license, or certificate illegally or fraudulently obtained by the applicant;

(2) The use of an assumed or fictitious name in applying for a license for the purpose of shielding moral unfitness or a criminal record;

(3) The commission of any criminal operation; habitual drunkenness for a period of three (3) months; insanity; adjudication of insanity or mental incompetency if deemed detrimental to patients; conviction of an infamous crime or felony; addiction to narcotics; immoral, dishonorable, or scandalous conduct; professional incompetency; failure to maintain proper standards of sanitation or failure otherwise to maintain adequate safeguards for the health and safety of patients; or employment in the practice of the profession of any drug, nostrum, unknown formula, or dangerous or unknown anesthetic not generally used by the dental profession;

(4) The advertising of services to the public which is

fraudulent and misleading or which does not comply with the rules ~~and regulations~~ of the board;

(5) The permitting of any unlicensed person under his or her supervision or control to perform any act, service, practice, or operation on any patient or prospective patient which constitutes a part of the practice of dentistry or dental hygiene or is involved with the administration of drugs, medicines, or anesthetics, except those services permitted by the board and under the supervision of a licensed dentist;

(6) The violation of any rule ~~or regulation~~ of board standards of professional conduct for dentists and dental hygienists practicing within the state;

(7) The violation of any term of probation or order previously entered by the board affecting the licensee or permit holder; or

(8) Having been found in violation of a statute or a rule ~~or regulation~~ governing the practice of dentistry or dental hygiene by the dental licensing authority or agency or another state.

SECTION 1520. Arkansas Code § 17-82-403 is amended to read as follows:

17-82-403. Permit required.

No person shall perform the expanded duties of a dental assistant as defined by the Arkansas State Board of Dental Examiners in the rules ~~and regulations~~ of the board without a permit.

SECTION 1521. Arkansas Code § 17-82-404(a), concerning applications for licensure of a dental assistant by the Arkansas State Board of Dental Examiners, is amended to read as follows:

(a) A dental assistant who desires to perform expanded duties as defined by the rules ~~and regulations~~ of the Arkansas State Board of Dental Examiners in the State of Arkansas shall apply in writing for examination to the Secretary of the Arkansas State Board of Dental Examiners, and he or she shall transmit with the written application his or her examination and licensing fee.

SECTION 1522. Arkansas Code § 17-82-406 is amended to read as follows:

17-82-406. Rules ~~and regulations~~.

All laws pertaining to dentists and dental hygienists as stated in

subchapters 1-3 of this chapter and the rules ~~and regulations~~ of the Arkansas State Board of Dental Examiners will apply to dental assistants who perform expanded duties.

SECTION 1523. Arkansas Code § 17-82-502 is amended to read as follows:

17-82-502. Permit to administer.

A dentist receiving a permit to administer general anesthesia or sedation may administer it in compliance with the rules ~~and regulations~~ of the Arkansas State Board of Dental Examiners.

SECTION 1524. Arkansas Code § 17-82-503 is amended to read as follows:

17-82-503. Application for permit.

(a) Any dentist who desires to administer to a patient general anesthesia or sedation as defined by the rules ~~and regulations~~ of the Arkansas State Board of Dental Examiners and the State of Arkansas shall apply in writing for a permit from the board, shall submit to an on-site inspection by the board, as defined and described in the rules ~~and regulations~~ of the board, and shall transmit with the application a fee reasonably calculated by the board to cover the costs and expenses of administering the on-site inspection and otherwise administering this subchapter.

(b) The application shall request such information as the board may require as stated in its rules ~~and regulations~~.

SECTION 1525. Arkansas Code § 17-83-105(4), concerning violations of the Dietetics Practice Act, is amended to read as follows:

(4) Knowingly making a false statement on any form promulgated under this chapter or the rules ~~and regulations~~ promulgated under this chapter.

SECTION 1526. Arkansas Code § 17-83-203(5) and (6), concerning the duties and powers of the Arkansas Dietetics Licensing Board, are amended to read as follows:

(5) Make such rules ~~and regulations~~ not inconsistent with law as may be necessary to regulate its proceedings;

(6) Promulgate rules ~~and regulations~~ necessary to implement this

chapter;

SECTION 1527. Arkansas Code § 17-84-203(5), concerning powers and duties of the Arkansas Board of Hearing Instrument Dispensers, is amended to read as follows:

(5) To make rules ~~and regulations~~ not inconsistent with the laws of this state that are necessary for the enforcement and orderly administration of this chapter. However, no rule ~~or regulation~~ shall be promulgated that in any manner serves to restrict the number of licenses that may be issued in any city, town, or county of this state;

SECTION 1528. Arkansas Code § 17-84-203(8), concerning powers and duties of the Arkansas Board of Hearing Instrument Dispensers, is amended to read as follows:

(8) To require, if the board deems necessary, an applicant, dealer, or licensee to furnish a surety bond in an amount fixed by the board for the benefit of any person damaged as the result of a violation of this chapter. All requirements pertaining to the surety bond may be promulgated by ~~regulation~~ rule of the board;

SECTION 1529. Arkansas Code § 17-85-107 is amended to read as follows:

17-85-107. Power to license.

(a) The State Board of Health is empowered to license lay midwives in this state pursuant to ~~regulations~~ rules established by the board to include, but not be limited to:

(1) The qualifications for licensure;

(2) Standards of practice for prenatal, intrapartum, and postpartum care of mother and baby;

(3) Physician supervision, physician consultation, licensed nurse-midwife supervision or consultation, or physician and hospital backup;

(4) Grievance procedures; and

(5) Recordkeeping and reporting.

(b) The lawful practice of lay midwifery shall be under the supervision of a physician licensed under the Arkansas Medical Practices Act, § 17-95-201 et seq., § 17-95-301 et seq., and § 17-95-401 et seq.

(c) The board may suspend or revoke any licenses issued under this

chapter for violations of this chapter or ~~regulations~~ rules promulgated under this chapter.

SECTION 1530. Arkansas Code § 17-86-204(d), concerning the records of licensees under the Massage Therapy Act, is amended to read as follows:

(d) Copies of records may be furnished to any person requesting them upon payment of such copying fee as the department may require and as Arkansas state laws and ~~regulations~~ rules permit. However, licensing exams shall be exempt from the Freedom of Information Act of 1967, § 25-19-101 et seq.

SECTION 1531. Arkansas Code § 17-86-205(a)(2), concerning the disposition of funds under the Massage Therapy Act, is amended to read as follows:

(2) The Department of Health shall deposit all such funds received in a timely manner in accordance with laws of the State of Arkansas and ~~regulations~~ rules of the Department of Finance and Administration.

SECTION 1532. Arkansas Code § 17-86-301(a)(2), concerning exemptions and registration requirements under the Massage Therapy Act, is amended to read as follows:

(2) For any person to operate or conduct any massage therapy clinic or massage therapy school which does not conform to the sanitary ~~regulations~~ rules contained in § 17-86-302, in state law, in local ordinances, or in those rules which may be adopted by the State Board of Health;

SECTION 1533. Arkansas Code § 17-86-301(a)(5), concerning exemptions and registration requirements under the Massage Therapy Act, is amended to read as follows:

(5) For the department or other individual or entity to incorporate privileges or certification requirements of any private organization, private professional association, or private accrediting agency within Arkansas massage laws or its rules ~~and regulations~~. However, the department may adopt as its licensure exam an exam drafted and administered by a private organization, private professional association, or private

accreditation agency.

SECTION 1534. Arkansas Code § 17-86-311(a)(7), concerning disciplinary actions and penalties recommended by the Massage Therapy Technical Advisory Committee, is amended to read as follows:

(7) Failure to comply with the Department of Health's Massage Therapy Code of Ethics or any valid ~~regulation~~ rule or order of the committee;

SECTION 1535. Arkansas Code § 17-86-311(e), concerning disciplinary actions and penalties recommended by the Massage Therapy Technical Advisory Committee, is amended to read as follows:

(e) In denying, suspending, or revoking any license, the committee shall afford any party review as provided for in the Arkansas Administrative Procedure Act, § 25-15-201 et seq., and as otherwise provided by the rules ~~and regulations~~ of the State Board of Health.

SECTION 1536. Arkansas Code § 17-86-312(a), concerning the registration fees paid under the Massage Therapy Act, is amended to read as follows:

(a) All registration fees and other fees due the Department of Health shall be paid in accordance with the provisions of this chapter and all other laws and ~~regulations~~ rules of this state.

SECTION 1537. Arkansas Code § 17-87-102(9), concerning the definition of "practice of licensed practical nursing" under the rules of nursing, is amended to read as follows:

(9) "Practice of licensed practical nursing" means the performance for compensation of nursing practices by a licensed practical nurse that are relevant to the care of the ill, injured, or infirm, or the delegation of certain nursing practices to other personnel as set forth in ~~regulations~~ rules established by the board, under the direction of a registered nurse, an advanced practice registered nurse, a licensed physician, or a licensed dentist that do not require the substantial specialized skill, judgment, and knowledge required in professional nursing;

SECTION 1538. Arkansas Code § 17-87-102(10)(D), concerning the definition of "practice of professional nursing" under the rules of nursing, is amended to read as follows:

(D) The delegation of certain nursing practices to other personnel as set forth in ~~regulations~~ rules established by the board; or

SECTION 1539. Arkansas Code § 17-87-102(11), concerning the definition of "practice of psychiatric technician nursing" under the rules of nursing, is amended to read as follows:

(11) "Practice of psychiatric technician nursing" means the performance for compensation of nursing practices by a licensed psychiatric technician nurse that are relevant to the care of the physically and mentally impaired, injured, or infirm or the delegation of certain nursing practices to other personnel as set forth in ~~regulations~~ rules established by the board, and the carrying out of medical orders under the direction of a professional registered nurse, an advanced practice registered nurse, a licensed physician, or a licensed dentist, when such activities do not require the substantial specialized skill, judgment, and knowledge required in professional nursing; and

SECTION 1540. Arkansas Code § 17-87-104(b)(1), concerning the penalty for practicing nursing without a license, is amended to read as follows:

(b)(1) After providing notice and a hearing, the board may levy civil penalties in an amount not to exceed one thousand dollars ($1,000) for each violation against those individuals or entities found to be in violation of this chapter or ~~regulations~~ rules promulgated thereunder.

SECTION 1541. Arkansas Code § 17-87-203(1), concerning the powers and duties of the Arkansas State Board of Nursing, is amended to read as follows:

(1)(A) Promulgate whatever ~~regulations~~ rules it deems necessary for the implementation of this chapter.

(B) No ~~regulation~~ rule promulgated hereafter by the board shall be effective until reviewed by the Legislative Council and the House Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees thereof;

SECTION 1542. Arkansas Code § 17-87-312(k), concerning criminal background checks by the Arkansas State Board of Nursing, is amended to read as follows:

(k) The board shall adopt the necessary rules ~~and regulations~~ to fully implement the provisions of this section.

SECTION 1543. Arkansas Code § 17-87-701(2), concerning the definition of "designated facility" under the laws governing nursing, is amended to read as follows:

(2) “Designated facility” means a type of facility determined by the board as an environment in which medication assistive persons may serve in accordance with the requirements of this subchapter and ~~regulations~~ rules promulgated by the board;

SECTION 1544. Arkansas Code § 17-87-708(b)(1), concerning penalties for violations of the laws governing a medication assistive person by the Arkansas State Board of Nursing, is amended to read as follows:

(b)(1) After providing notice and a hearing, the board may levy civil penalties in an amount not to exceed one thousand dollars ($1,000) against a person or entity for each violation of this subchapter or ~~regulations~~ rules promulgated under this subchapter.

SECTION 1545. Arkansas Code § 17-88-201(c)(1), concerning the duties of the Arkansas State Medical Board to license occupational therapists, is amended to read as follows:

(1) Adopt and put into effect reasonable rules ~~and regulations~~ to carry this chapter into effect;

SECTION 1546. Arkansas Code § 17-88-305(b), concerning license reciprocity for licensed occupational therapists, is amended to read as follows:

(b) The issuance of a license by reciprocity by the board shall be at the sole discretion of the board, and the board may provide such rules ~~and regulations~~ governing admission as it may deem necessary or desirable.

SECTION 1547. Arkansas Code § 17-89-202(c)(2), concerning meetings and

officers of the Arkansas Board of Dispensing Opticians, is amended to read as follows:

(2) The board shall outline the duties of the secretary-treasurer and fix his or her compensation, per diem, mileage, and other expense moneys in accordance with applicable Arkansas laws and ~~regulations~~ rules.

SECTION 1548. Arkansas Code § 17-89-203(a)(9), concerning the powers and duties of the Arkansas Board of Dispensing Opticians, is amended to read as follows:

(9) Adopt rules ~~and regulations~~ commensurate with the policies of this chapter and for the purpose of carrying this chapter into effect, including, but not limited to, rules which establish ethical standards of ophthalmic dispensing practices, application procedures, and procedures for investigating complaints. Following their adoption, the rules shall govern and control the business conduct of every person licensed or registered under this chapter in this state engaged in ophthalmic dispensing; and

SECTION 1549. Arkansas Code § 17-89-308(d), concerning the continuing education program of the Arkansas Board of Dispensing Opticians, is amended to read as follows:

(d) The board shall promulgate ~~regulations~~ rules to implement this section.

SECTION 1550. Arkansas Code § 17-89-309(a), concerning the grounds for denial, suspension, or revocation of a license by the Arkansas Board of Dispensing Opticians, is amended to read as follows:

(a) The Arkansas Board of Dispensing Opticians shall revoke or suspend or refuse to issue or renew a license or registration of any dispensing optician for any violation of any provision of this chapter or of any rules ~~and regulations~~ promulgated by the board, including, but not limited to, the following:

(1) The applicant, licensee, or registrant obtaining a license or registration by means of fraud, misrepresentation, or concealment of material facts;

(2) The applicant, licensee, or registrant engaging in conduct,

including, but not limited to, engaging in the advertising practice commonly known as “bait and switch”, or establishing an ophthalmic dispensing business immediately adjacent to the office of a licensed optometrist or physician skilled in diseases of the eye in what is commonly known as a “side-by-side” operation, or engaging in the referral procedure commonly known as “capping and steering”;

(3) The applicant, licensee, or registrant being convicted of a felony in any state or federal court, and not pardoned, if the acts for which the person is convicted are found by the board to have a direct bearing on whether he or she should be entrusted to serve the public in the capacity of a dispensing optician;

(4) The applicant, licensee, or registrant violating any prohibitive provision under this chapter;

(5) The applicant, licensee, or registrant engaging in any fraudulent, misleading, or deceptive advertising;

(6) The applicant, licensee, or registrant failing to qualify for the license or registration;

(7) The applicant, licensee, or registrant violating any other rule ~~or regulation~~ promulgated by the board; or

(8) The applicant, licensee, or registrant using any narcotic drug or alcohol which impairs his or her ability to perform the work of an ophthalmic dispenser.

SECTION 1551. Arkansas Code § 17-89-403 is amended to read as follows:

17-89-403. Standards for materials.

All ophthalmic materials, including eyeglasses, spectacles, lenses, or other optical devices or materials or parts thereof, sold in the State of Arkansas must conform to standards of quality as promulgated by the American National Standards Institute, commonly known as Z-80.1 standards, or any standards later set forth in a ~~regulation~~ rule promulgated by the Arkansas Board of Dispensing Opticians.

SECTION 1552. Arkansas Code § 17-89-404(b), concerning branch offices of registered dispensing opticians, is amended to read as follows:

(b)(1) With board approval, the board shall promulgate rules ~~and regulations~~ establishing the branch office permit and the procedures for

issuing, suspending, or revoking the branch office permit.

(2) The rules ~~and regulations~~ shall comply with the pertinent provisions of all existing state law.

SECTION 1553. Arkansas Code § 17-89-405(2)(A), concerning the prohibition of fraudulent, misleading, or deceptive advertising by a dispensing optician, is amended to read as follows:

(2)(A) The use of words or a format designed to convey or which result in conveying an impression that the ophthalmic dispensing firm or the dispensing optician is qualified to provide eye care service other than the services that are authorized by the laws of this state and ~~regulations~~ rules promulgated pursuant thereto for ophthalmic dispensing in this state.

SECTION 1554. Arkansas Code § 17-89-408(a)(1), concerning office permits for ophthalmic dispensing services, is amended to read as follows:

(a)(1) It shall be unlawful for any person or legal entity to conduct an office or place of business in this state where ophthalmic dispensing services are offered or performed unless that person or entity shall have first secured an office permit from the Arkansas Board of Dispensing Opticians pursuant to board ~~regulation~~ rule for each such office or place of business.

SECTION 1555. Arkansas Code § 17-89-408(b) and (c), concerning office permits for ophthalmic dispensing services, are amended to read as follows:

(b) The office permit shall be renewed on or before July 1 of each year at a cost and pursuant to procedures to be determined by board rule ~~or regulation~~.

(c) The board shall suspend, revoke, or refuse to issue or renew an office permit for any violation of any provision of this chapter or of any rules ~~and regulations~~ promulgated by the board, including at least the following:

(1) The applicant, person, or legal entity obtains an office permit by means of fraud, misrepresentation, or concealment of material facts;

(2) The applicant, person, or legal entity violates any prohibitive provision under this chapter;

(3) The applicant, person, or legal entity engages in any fraudulent, misleading, or deceptive advertising;

(4) The applicant, person, or legal entity fails to qualify for the office permit; or

(5) The applicant, person, or legal entity violates any other rule ~~or regulation~~ promulgated by the board.

SECTION 1556. Arkansas Code § 17-90-101(a)(2), concerning the definition of "optometry" under the law governing the practice of optometry, is amended to read as follows:

(2) “Optometry” shall include utilizing any method or means which the licensed optometrist is educationally qualified to provide, as established and determined by the State Board of Optometry. In administering this chapter, the board shall by rule ~~or regulation~~ prescribe those acts, services, procedures, and practices which constitute both primary optometric eye care and the practice of optometry.

SECTION 1557. Arkansas Code § 17-90-108(a)(2)(B), concerning the requirement to provide an eyeglass prescription, is amended to read as follows:

(B) Contact lens prescriptions released and filled shall be dispensed, sold, and supplied only after positive verification in accordance with the laws of the State of Arkansas and the rules ~~and regulations~~ promulgated and administered by the State Board of Optometry.

SECTION 1558. Arkansas Code § 17-90-109(a)(2), concerning the regulation of contact lenses, is amended to read as follows:

(2) Possession of a positively verified written, signed, and unexpired contact lens prescription issued, dispensed, sold, or supplied by a licensed optometrist or ophthalmologist in compliance with the laws of the State of Arkansas and all rules ~~and regulations~~ promulgated by the board; and

SECTION 1559. Arkansas Code § 17-90-204(1), concerning the powers and duties of the State Board of Optometry, is amended to read as follows:

(1) To make rules ~~and regulations~~ for the administration and enforcement of this chapter;

SECTION 1560. Arkansas Code § 17-90-204(7)(A), concerning the powers and duties of the State Board of Optometry, is amended to read as follows:

(7)(A) To levy civil penalties, after providing notice and a hearing, in an amount not to exceed one thousand dollars ($1,000) for each violation against those individuals, firms, or corporations found to be in violation of this chapter or rules ~~and regulations~~ promulgated thereunder.

SECTION 1561. Arkansas Code § 17-90-301(a)(1), concerning examination fees by the State Board of Optometry, is amended to read as follows:

(1) Successfully passed all examinations as the board may require in the rules ~~and regulations~~ of the board, to include, but not be limited to, clinical examinations if required; and

SECTION 1562. Arkansas Code § 17-90-305(a)(14), concerning the grounds for revocation and suspension of a license by the State Board of Optometry, is amended to read as follows:

(14) Violation of any rule ~~or regulation~~ of the board;

SECTION 1563. Arkansas Code § 17-90-401(1), concerning the powers and duties of the State Board of Optometry, is amended to read as follows:

(1) To enforce, amend, or repeal the rules ~~and regulations~~ promulgated by the board;

SECTION 1564. Arkansas Code § 17-90-401(4), concerning the powers and duties of the State Board of Optometry, is amended to read as follows:

(4) To approve, consistent with the rules ~~and regulations~~ promulgated by the board, those acts, services, procedures, and practices which may be performed by a licensed optometrist and, before authorization, by appropriate examination, establish the competence of every optometrist to perform the approved acts, services, procedures, and practices;

SECTION 1565. Arkansas Code § 17-90-401(5)(B), concerning the powers and duties of the State Board of Optometry, is amended to read as follows:

(B) The express purpose of this subdivision (5) is to prohibit the “grandfathering” of currently licensed optometrists unless and

until they have completed the prerequisites and requirements of the board and this subchapter established by this subdivision (5). Nothing in this subdivision (5) shall be construed to prohibit any optometrist currently licensed from continuing to practice optometry and be relicensed, but until he or she has met the requirements of this subchapter and the rules ~~and regulations~~ of the board, he or she shall not be allowed to utilize the additional treatments provided for in this subchapter;

SECTION 1566. Arkansas Code § 17-90-401(6) and (7), concerning the powers and duties of the State Board of Optometry, are amended to read as follows:

(6) To promulgate rules ~~and regulations~~ governing the prescribing, administering, and use of all drugs authorized in this chapter by all licensed and board-certified primary care optometrists in the diagnosis, treatment, or management only of conditions of the human eye, lid, adnexa, or visual system; and

(7) To promulgate rules ~~and regulations~~ which authorize board-certified primary care optometrists to order any procedure or laboratory test necessary in the examination, diagnosis, treatment, or management of diseases or conditions of the human eye, lid, adnexa, or visual system.

SECTION 1567. Arkansas Code § 17-92-101(16)(A)(i)(a), concerning the definition of "practice of pharmacy" under the rules governing pharmacists and pharmacies, is amended to read as follows:

(i)(a) Dispensing, selling, distributing, transferring possession of, vending, bartering, or, in accordance with ~~regulations~~ rules adopted by the Arkansas State Board of Pharmacy, administering drugs, medicines, poisons, or chemicals that under the laws of the United States or the State of Arkansas may be sold or dispensed only on the prescription and order of a practitioner authorized by law to prescribe drugs, medicines, poisons, or chemicals.

SECTION 1568. Arkansas Code § 17-92-101(16)(C)(i), concerning the definition of "practice of pharmacy" under the rules governing pharmacists and pharmacies, is amended to read as follows:

(C)(i) The Arkansas State Board of Pharmacy may permit

pharmacy technicians other than pharmacists or interns to perform some or all of those functions described in Arkansas State Board of Pharmacy ~~regulations~~ rules under the direct, personal supervision of a licensed pharmacist pursuant to ~~regulations~~ rules defining the minimum qualifications of such employees, the ratio of pharmacy technicians to supervising pharmacists, and the scope of the duties, practices, and procedures that the Arkansas State Board of Pharmacy determines will promote the delivery of competent, professional pharmaceutical services and promote the public health and welfare. Nothing in this chapter shall be construed as allowing pharmacy technicians to administer medications.

SECTION 1569. Arkansas Code § 17-92-101(16)(C)(iv) and (v), concerning the definition of "practice of pharmacy" under the rules governing pharmacists and pharmacies, are amended to read as follows:

(iv) The use of pharmacy technicians in a manner not authorized by this chapter or ~~regulations~~ rules promulgated hereunder shall be unprofessional conduct by the pharmacist-in-charge and the supervising pharmacist.

(v) It is recognized that hospital pharmacy technicians as defined in § 17-92-602(5) are governed by the Hospital Pharmacies Act, § 17-92-601 et seq., and related Arkansas State Board of Pharmacy ~~regulations~~ rules developed pursuant to that act;

SECTION 1570. Arkansas Code § 17-92-101(24), concerning the definition of "written protocol" under the rules governing pharmacists and pharmacies, is amended to read as follows:

(24) “Written protocol” means a physician’s order, standing medical order, standing delegation order, or other order or protocol as defined by ~~regulation~~ rule of the Arkansas State Medical Board under the Arkansas Medical Practices Act, § 17-95-201 et seq., § 17-95-301 et seq., and § 17-95-401 et seq.

SECTION 1571. Arkansas Code § 17-92-205(a), concerning the rules of the Arkansas State Board of Pharmacy, is amended to read as follows:

(a)(1) The Arkansas State Board of Pharmacy shall have authority to make reasonable rules ~~and regulations~~, not inconsistent with law, to carry

out the purposes and intentions of this chapter and the pharmacy laws of this state that the board deems necessary to preserve and protect the public health.

(2) The board shall by ~~regulation~~ rule establish standards for the administration of medications by licensed pharmacists, including, but not limited to, the completion of a course in the administration of medications.

SECTION 1572. Arkansas Code § 17-92-206(b), concerning the issuance of bulletins by the Arkansas State Board of Pharmacy, is amended to read as follows:

(b) The board shall make a written report on September 1 of each year to the Governor and to the Arkansas Pharmacists Association of all its proceedings, orders, rules, and requirements, ~~and regulations,~~ of its receipts and disbursements, including also the names of all persons licensed to practice under this chapter, and a record of permits and renewals.

SECTION 1573. Arkansas Code § 17-92-301(a)(3) and (4), concerning the license required to practice pharmacy, are amended to read as follows:

(3) A pharmacy technician performing the limited functions permitted under this chapter and ~~regulations~~ rules promulgated hereunder; or

(4) A hospital pharmacy technician as defined in § 17-92-602 performing the limited functions permitted under that subchapter and ~~regulations~~ rules promulgated thereunder.

SECTION 1574. Arkansas Code § 17-92-302(a)(2) and (3), concerning the penalty for unlicensed practice of pharmacy, are amended to read as follows:

(2) A pharmacy technician performing the limited functions permitted under this chapter and ~~regulations~~ rules promulgated hereunder; or

(3) A hospital pharmacy technician as defined in § 17-92-602 performing the limited functions permitted under that subchapter and ~~regulations~~ rules promulgated thereunder.

SECTION 1575. Arkansas Code § 17-92-302(b), concerning the penalty for unlicensed practice of pharmacy, is amended to read as follows:

(b) Any person who is not an Arkansas-licensed pharmacist or a student serving internship or a pharmacy technician performing the limited functions

permitted under this chapter and ~~regulations~~ rules promulgated hereunder or a hospital pharmacy technician as defined in § 17-92-602 performing the limited functions permitted under that subchapter and ~~regulations~~ rules promulgated thereunder, who shall fill a prescription, compound or dispense medicine, or otherwise perform the functions of a pharmacist, shall be guilty of a misdemeanor punishable by a fine of not less than fifty dollars ($50.00) nor more than one hundred dollars ($100) for the first offense and not less than one hundred dollars ($100) or thirty (30) days' imprisonment, or both fine and imprisonment, for each succeeding offense thereafter.

SECTION 1576. Arkansas Code § 17-92-305(a)(3)(B), concerning application and qualification of applicants for a pharmacist license, is amended to read as follows:

(B) Graduated from a foreign college of pharmacy, completed a transcript verification program, taken and passed a college of pharmacy equivalency exam program, and completed a process of communication ability testing as defined under board ~~regulations~~ rules so that it is assured that the applicant meets standards necessary to protect public health and safety.

SECTION 1577. Arkansas Code § 17-92-305(b), concerning application and qualification of applicants for a pharmacist license, is amended to read as follows:

(b) Each application for examination shall be made on a form to be supplied by the board and shall be filed with the board as required by board ~~regulations~~ rules.

SECTION 1578. Arkansas Code § 17-92-308(c)(1), concerning the rules of reciprocity for pharmacists by the Arkansas State Board of Pharmacy, is amended to read as follows:

(c)(1) In the interim between sessions of the board and upon satisfactory evidence of the fitness as established by board ~~regulation~~ rule of an applicant for reciprocity, any member of the board, in his or her discretion, may issue a temporary certificate that shall authorize the holder to practice pharmacy as defined in § 17-92-101.

SECTION 1579. Arkansas Code § 17-92-309(c), concerning registration and certificates issued by the Arkansas State Board of Pharmacy, is amended to read as follows:

(c) The board may provide by ~~regulation~~ rule for issuing and waiving the renewal fee for pharmacy certificates denoting special recognition for pharmacists who have the following qualifications:

SECTION 1580. Arkansas Code § 17-92-316(a)(1), concerning the credential required for professional pharmacy service, is amended to read as follows:

(a)(1) The Arkansas State Board of Pharmacy may provide by ~~regulation~~ rule for credentialing and approval of pharmacists to practice disease state management and any other pharmacy services determined by the board to require a credential.

SECTION 1581. Arkansas Code § 17-92-316(b) and (c), concerning the credential required for professional pharmacy service, are amended to read as follows:

(b) The board shall adopt ~~regulations~~ rules necessary and appropriate to implement the credentialing and the board's approval of pharmacists to practice disease state management and other credentialed pharmacy services, including:

(1) Identification of areas of credentialed pharmacy services;

(2) Identification of the minimum competencies, standards, objectives, and qualifications necessary for a credential and the board's approval to practice in each area of credentialed pharmacy service;

(3) Identification of the standards for qualifying an agency to issue credentials for areas of pharmacy services;

(4) The procedure and standards, which may include a practical examination, for the board's review and approval of a credential and determination of a pharmacist's qualifications to practice disease state management or other credentialed pharmacy service;

(5) The conversion of a credential previously issued by the board for the practice of disease state management or other pharmacy service to a credential issued by an approved credentialing agency; and

(6) Continuing professional education and other measures to

maintain pharmacists' continuing competency in disease state management and other credentialed pharmacy services.

(c) The board shall promulgate ~~regulations~~ rules to:

(1) Identify areas of credentialing;

(2) Establish procedures for initial application and renewal;

(3) Define the minimum competencies and standards to be examined;

(4) Define the qualifications for credentialing; and

(5) Define required continuing education, competencies, standards, and other information necessary to implement this chapter.

SECTION 1582. Arkansas Code § 17-92-317(e)(3), concerning criminal background checks prior to issuance of a pharmacist license, is amended to read as follows:

(3) Any violation of Arkansas pharmacy or drug law or ~~regulations~~ rules, including, but not limited to, this chapter, the Uniform Controlled Substances Act, § 5-64-101 et seq., and the Food, Drug, and Cosmetic Act, § 20-56-201 et seq.

SECTION 1583. Arkansas Code § 17-92-317(k), concerning criminal background checks prior to issuance of a pharmacist license, is amended to read as follows:

(k) The board shall adopt the necessary rules ~~and regulations~~ to fully implement the provisions of this section.

SECTION 1584. Arkansas Code § 17-92-401(a), concerning applicability to out-of-state pharmacy operations, is amended to read as follows:

(a) A pharmacy operating outside the state that routinely ships, mails, or delivers in any manner a dispensed legend drug into Arkansas or otherwise practices pharmacy in Arkansas shall hold a pharmacy license issued by the Arkansas State Board of Pharmacy, and that part of the pharmacy operation dispensing the prescription for an Arkansas resident shall abide by Arkansas law and ~~regulations~~ rules of the board.

SECTION 1585. Arkansas Code § 17-92-403(a), concerning exceptions to the requirement for a licensed pharmacist, is amended to read as follows:

(a) No person shall operate a pharmacy or other facility dispensing prescriptions as identified in this section or be issued a pharmacy permit or other permit issued by the Arkansas State Board of Pharmacy to facilities dispensing prescriptions unless an Arkansas-licensed pharmacist-in-charge is on duty in the drugstore or pharmacy a minimum of forty (40) hours per week or as otherwise provided in this chapter or by board ~~regulation~~ rule.

SECTION 1586. Arkansas Code § 17-92-403(d)(1) and (2), concerning exceptions to the requirement for a licensed pharmacist, are amended to read as follows:

(d)(1) The board shall provide by ~~regulation~~ rule for the issuance of permits for specialty pharmacies to which § 17-92-607 shall apply.

(2) The owners of specialty pharmacies shall have on duty a licensed pharmacist-in-charge whose minimum number of hours on duty shall be determined by board ~~regulations~~ rules regarding the nature of the pharmacy service provided.

SECTION 1587. Arkansas Code § 17-92-403(d)(4), concerning exceptions to the requirement for a licensed pharmacist, is amended to read as follows:

(4) The owners of specialty pharmacies shall abide by all provisions established for the employment of pharmacists in this chapter and board ~~regulations~~ rules.

SECTION 1588. Arkansas Code § 17-92-403(e)-(h), concerning exceptions to the requirement for a licensed pharmacist, are amended to read as follows:

(e) The board may provide by ~~regulation~~ rule for the issuance of hospital pharmaceutical permits to pharmacists employed in hospitals under which the pharmacist-in-charge employed in a hospital may have a flexible schedule of attendance and to which the requirement of a licensed pharmacist-in-charge on duty for a minimum of forty (40) hours a week shall not apply.

(f) The board shall provide for the issuance of ambulatory care center pharmaceutical services permits to entities so licensed by the Department of Health and that shall employ a licensed pharmacist-in-charge as provided by board ~~regulation~~ rule.

(g) The board shall provide by ~~regulation~~ rule for the issuance of institutional pharmacy permits to governmentally funded institutions that

provide inpatient pharmaceutical services to persons confined to such institutions or in which drugs are administered to inpatients on orders of practitioners authorized by law to prescribe or administer the drugs and to which the requirement that the licensed pharmacist-in-charge on duty for a minimum of forty (40) hours a week shall not apply.

(h) The board may provide by ~~regulation~~ rule for the issuance of charitable clinic pharmacy permits to clinics operated on a nonprofit basis to furnish medical and dental care to poor and underprivileged persons and in which drugs are dispensed or administered to such persons on orders or prescriptions of practitioners authorized by law to prescribe or administer the drugs and to which the requirement of a licensed pharmacist-in-charge on duty for a minimum of forty (40) hours a week shall not apply.

SECTION 1589. Arkansas Code § 17-92-407(b), concerning grounds for revocation of a license by the Arkansas State Board of Pharmacy, is amended to read as follows:

(b) Whenever any person, firm, partnership, estate, or corporation holding any permit issued under this subchapter obtains a permit by false representations or knowingly violates any of the pharmacy laws or fails to comply with the rules ~~and regulations~~ of the board passed by authority of the pharmacy laws, the board shall revoke the holder's pharmacy permit.

SECTION 1590. Arkansas Code § 17-92-409 is amended to read as follows:

17-92-409. Pharmacy library required.

There shall be kept in every pharmacy or other facility as identified in § 17-92-403 a library consisting of books, periodicals, and computer software as required by ~~regulations~~ rules of the Arkansas State Board of Pharmacy.

SECTION 1591. Arkansas Code § 17-92-412(a)(1), concerning a nursing home consultant permit issued by the Arkansas State Board of Pharmacy, is amended to read as follows:

(a)(1) The Arkansas State Board of Pharmacy shall provide for the issuance of nursing home consultant permits by ~~regulation~~ rule.

SECTION 1592. Arkansas Code § 17-92-412(b), concerning a nursing home

consultant permit issued by the Arkansas State Board of Pharmacy, is amended to read as follows:

(b) The board shall set by ~~regulation~~ rule the standards by which the controlled and legend drugs and devices will be maintained in the nursing home or long-term care facility.

SECTION 1593. Arkansas Code § 17-92-501 is amended to read as follows:

17-92-501. Penalty.

Any person licensed or otherwise permitted to practice pharmacy in this state who shall violate any provisions of this subchapter shall be subject to discipline by the Arkansas State Board of Pharmacy, including, but not limited to, revocation of such license or permission, according to procedures established by law or by ~~regulations~~ rules of the board.

SECTION 1594. Arkansas Code § 17-92-502 is amended to read as follows:

17-92-502. Rules ~~and regulations~~.

The Arkansas State Board of Pharmacy may adopt such reasonable ~~regulations~~ rules, not inconsistent with law, as it shall deem necessary to carry out the purposes and intentions of this subchapter.

SECTION 1595. Arkansas Code § 17-92-603(a), concerning the Advisory Committee for Hospital Pharmacies, is amended to read as follows:

(a) There is created an Advisory Committee for Hospital Pharmacies to assist the Arkansas State Board of Pharmacy in the promulgation of rules~~, regulations,~~ and standards for hospital pharmacies.

SECTION 1596. Arkansas Code § 17-92-604 is amended to read as follows:

17-92-604. Regulatory authority.

(a) The Arkansas State Board of Pharmacy shall adopt, promulgate, and enforce such rules~~, regulations,~~ and standards as may be necessary to the regulation of the operation of a hospital pharmacy and for the accomplishment of all other purposes of this subchapter.

(b)(1) The Advisory Committee for Hospital Pharmacies shall advise with the board concerning the rules~~, regulations,~~ and standards to be promulgated by the board under this subchapter. No rule~~, regulation,~~ or standard shall be promulgated by the board until it has consulted with the

committee.

(2) The rules~~, regulations,~~ and standards shall include, but shall not be limited to, the following specific matters:

(A) The number of licensed pharmacists and other hospital pharmacy technicians and the scope of duties to be performed by the hospital pharmacy technicians in the inpatient medication distribution system, in keeping with the size and scope of the services of the hospital and its hospital pharmacy and the hospital pharmacy's safe, efficient, and economical operation; and

(B) The equipment and supplies necessary to the hospital pharmacy's safe, efficient, and economical operation.

(c) After consultation with the committee, from time to time, the board may modify, amend, or rescind the rules~~, regulations,~~ and standards, provided the modification, amendment, or rescission does not in any manner defeat the purposes of this subchapter.

SECTION 1597. Arkansas Code § 17-92-801(d)(1)-(3), concerning the powers and duties of the Arkansas State Board of Pharmacy, are amended to read as follows:

(1) Violation of any law or ~~regulation~~ rule regarding the practice of pharmacy;

(2) Violation of any law or ~~regulation~~ rule regarding legend drugs or controlled substances; or

(3) Violation of any ~~regulation~~ rule adopted by the board regarding pharmacy technicians.

SECTION 1598. Arkansas Code § 17-92-903(b), concerning the exemption from license and permit requirements of the Arkansas State Board of Pharmacy, is amended to read as follows:

(b) Although excluded from a separate licensure requirement for medical equipment, pharmacies shall be subject to the same rules ~~and regulations~~ for the sale or rental of medical equipment covered by this subchapter.

SECTION 1599. Arkansas Code § 17-92-906 is amended to read as follows:

17-92-906. ~~Regulations~~ Rules.

(a)(1) The Arkansas State Board of Pharmacy shall adopt ~~regulations~~ rules for the distribution of home medical equipment, legend devices, and medical gases which promote the public health and welfare and which comply with, at least, the minimum standards, terms, and conditions of federal laws and federal regulations.

(2) The ~~regulations~~ rules shall include, without limitation:

(A) Minimum information from each home medical equipment, legend device, and medical gas supplier required for licensing and renewal of licenses;

(B) Minimum qualifications of persons who engage in the distribution of these products;

(C) Appropriate education or experience, or both, of persons employed in distribution of these products who assume responsibility for positions related to compliance with state licensing requirements;

(D) Minimum requirements for the storage and handling of these products;

(E) Minimum requirements for the establishment and maintenance of distribution records for these products; and

(F) Federal and state labeling requirements.

(b) State ~~regulations~~ rules shall not apply to the following:

(1) Home health agencies;

(2) Hospitals;

(3) Manufacturers and wholesale distributors when not selling directly to the patient;

(4) Healthcare practitioners legally eligible to prescribe or order home medical equipment, medical gases, and legend devices;

(5) Medical doctors, physical therapists, respiratory therapists, occupational therapists, speech pathologists, optometrists, chiropractors, and podiatrists who use home medical equipment or legend devices, or both, to treat patients;

(6) Nurses who use but do not sell home medical equipment or legend devices, or both, to their patients;

(7) Hospice programs;

(8) Nursing homes; and

(9) Veterinarians.

(c) No ~~regulations~~ rules promulgated to implement this subchapter

shall be effective until they have been reviewed by the House Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees thereof.

SECTION 1600. Arkansas Code § 17-92-908(2), concerning the revocation or suspension of licenses by the Arkansas State Board of Pharmacy, is amended to read as follows:

(2) Violation of any provisions of this subchapter or any ~~regulation~~ rule promulgated hereunder; or

SECTION 1601. Arkansas Code § 17-92-909(d), concerning the Advisory Committee to the Arkansas State Board of Pharmacy, is amended to read as follows:

(d) The committee shall review and make recommendations to the board on the merit of all ~~regulations~~ rules dealing with medical equipment, legend devices, and medical gases which are proposed by the board and before they are adopted by the board.

SECTION 1602. Arkansas Code § 17-92-1104(h)(1)(D), concerning donations of unused prescription drugs to a charitable clinic, is amended to read as follows:

(D) Pharmacists and pharmacy technicians except when the board has promulgated ~~regulations~~ rules dealing specifically with the prescription drug redispensing program;

SECTION 1603. Arkansas Code § 17-92-1104(h)(2)(E)-(G), concerning donations of unused prescription drugs to a charitable clinic, are amended to read as follows:

(E) The charitable clinic pharmacy acting in conformity with board ~~regulations~~ rules;

(F) The pharmacist who originally dispensed the donated prescription drugs acting in conformity with board ~~regulations~~ rules;

(G) A pharmacist dispensing donated prescription drugs acting in conformity with board ~~regulations~~ rules;

SECTION 1604. Arkansas Code § 17-93-308(a)(13), concerning the grounds

for revocation, suspension or denial of a license by the Arkansas State Board of Physical Therapy, is amended to read as follows:

(13) Is in violation of this chapter or any ~~regulation~~ rule promulgated by the board.

SECTION 1605. Arkansas Code § 17-93-309(a)(3), concerning revocation, suspension, or denial proceedings of the Arkansas State Board of Physical Therapy, is amended to read as follows:

(3) If the board determines that there is a reasonable belief that the accused may have been guilty of a violation of this chapter or the rules ~~and regulations~~ promulgated thereunder, or both, the board shall prepare an order and notice of hearing advising the person of the date for the hearing to be held by the board.

SECTION 1606. Arkansas Code § 17-93-311(a), concerning civil penalties levied by the Arkansas State Board of Physical Therapy, is amended to read as follows:

(a) After due notice and hearing, the Arkansas State Board of Physical Therapy is also authorized to levy a civil penalty against any person licensed under the provisions of this chapter after a finding that the person has violated any of the provisions of this chapter or any ~~regulations~~ rules promulgated by the board.

SECTION 1607. Arkansas Code § 17-93-313(b), concerning notice of malpractice claim or suit to the Arkansas State Board of Physical Therapy, is amended to read as follows:

(b) The board shall prepare and adopt ~~regulations~~ rules as are necessary and proper to assure compliance with this section.

SECTION 1608. Arkansas Code § 17-93-403(b), concerning penalties levied by the Arkansas State Board of Athletic Training, is amended to read as follows:

(b) After notice and hearing, the Arkansas State Board of Athletic Training is also authorized to levy a civil penalty against any person licensed under the provisions of this subchapter after a finding that the person has violated any of the provisions of this subchapter or any

~~regulations~~ rules promulgated by the board.

SECTION 1609. Arkansas Code § 17-93-406(5), concerning the powers and duties of the Arkansas State Board of Athletic Training, is amended to read as follows:

(5) To adopt rules ~~and regulations~~ consistent with this subchapter which are necessary for the performance of its duties, including, but not limited to, the imposing of fees adequate to carry out the purposes of this subchapter;

SECTION 1610. Arkansas Code § 17-93-412(a)(3), concerning the grounds for revocation, suspension, or denial of a license by the Arkansas State Board of Athletic Training, is amended to read as follows:

(3) Violated or conspired to violate this subchapter or rules ~~or regulations~~ issued pursuant to this subchapter.

SECTION 1611. Arkansas Code § 17-95-102(e), concerning legend drugs under the Arkansas Medical Practices Act, is amended to read as follows:

(e) The board shall enforce the provisions of this section and is authorized and directed to adopt ~~regulations~~ rules to carry out its purpose.

SECTION 1612. Arkansas Code § 17-95-103(c), concerning notice provided to the Arkansas State Medical Board of malpractice claims, is amended to read as follows:

(c) The board is authorized and directed to prepare and adopt such ~~regulations~~ rules as are necessary and proper to assure compliance with the provisions of this section.

SECTION 1613. Arkansas Code § 17-95-106(b), concerning immunity from liability for volunteer services by retired physicians and surgeons, is amended to read as follows:

(b) The State Board of Health is empowered to adopt such rules ~~and regulations~~ as it may determine necessary to provide for the registration of free or low-cost medical clinics under this section. Provided, the rules ~~and regulations~~ shall require that each person, patient, or client to whom medical services are provided has been fully informed before any treatment by

the physician providing the services or by the staff of the medical clinic of the immunity from civil suit provisions of this section, and has acknowledged that fact in writing on a form approved or designated by the Department of Health.

SECTION 1614. Arkansas Code § 17-95-107(d)(2)(A) and (B), concerning allowing the Arkansas State Medical Board to provide information to credentialing organizations, are amended to read as follows:

(2)(A) The board shall promulgate ~~regulations~~ rules establishing a credentialing information system, and the ~~regulations~~ rules shall indicate the procedures for collection and release of credentialing information under this section.

(B) The ~~regulations~~ rules shall require that before July 1, 2003, the process of recredentialing a physician shall be completed within thirty (30) business days unless circumstances beyond the control of the board make completion of the process within thirty (30) business days impossible or unduly burdensome.

SECTION 1615. Arkansas Code § 17-95-107(d)(3), concerning allowing the Arkansas State Medical Board to provide information to credentialing organizations, is amended to read as follows:

(3) The board shall appoint a ten-member advisory committee to assist with the adoption of policies and ~~regulations~~ rules concerning the credentialing information system. At least six (6) of the ten (10) members of the advisory committee shall be representative of credentialing organizations subject to this section, including not fewer than two (2) hospital representatives and not fewer than two (2) insurer or health maintenance organization representatives.

SECTION 1616. Arkansas Code § 17-95-107(d)(7)(A), concerning allowing the Arkansas State Medical Board to provide information to credentialing organizations, is amended to read as follows:

(7)(A) The board may charge credentialing organizations a reasonable fee for the use of the credentialing service as established by rule ~~and regulation~~.

SECTION 1617. Arkansas Code § 17-95-107(e)(2)(B)(iii), concerning allowing the Arkansas State Medical Board to provide information to credentialing organizations, is amended to read as follows:

(iii) Documents compliance with Department of Health rules ~~and regulations~~ applicable to credentialing; and

SECTION 1618. Arkansas Code § 17-95-108(b), concerning informed consent required for gastric bypass surgery, is amended to read as follows:

(b)(1) The Arkansas State Medical Board shall promulgate rules ~~and regulations~~ to enforce this section within six (6) months of July 16, 2003.

(2) The rules ~~and regulations~~ shall utilize scientifically accepted information from national medical specialty boards, organizations, or governmental agencies in determining the specific content and lists of complications or side effects, or both, that must be included in the informed consent.

SECTION 1619. Arkansas Code § 17-95-206 is amended to read as follows:

17-95-206. Out-of-state physicians.

A physician who is physically located outside this state but who through the use of any medium, including an electronic medium, performs an act that is part of a patient care service initiated in this state, including the performance or interpretation of an X-ray examination or the preparation or interpretation of pathological material that would affect the diagnosis or treatment of the patient, is engaged in the practice of medicine in this state for the purposes of this chapter and is subject to this chapter and to appropriate ~~regulation~~ rules promulgated by the Arkansas State Medical Board. This section does not apply to:

(1) The acts of a medical specialist located in another jurisdiction who provides only episodic consultation services;

(2) The acts of a physician located in another jurisdiction who is providing consultation services to a medical school;

(3) Decisions regarding the denial or approval of coverage under any insurance or health maintenance organization plan;

(4) A service to be performed which is not available in the state;

(5) A physician physically seeing a patient in person in another

jurisdiction; or

(6) Other acts exempted by the board by ~~regulation~~ rule.

SECTION 1620. Arkansas Code § 17-95-302(b), concerning the organization and proceedings of the Arkansas State Medical Board, is amended to read as follows:

(b) The board shall hold its regular meetings at such time as the board shall establish by ~~regulation~~ rule and shall have the power to call and hold special meetings at such times and places as it deems necessary.

SECTION 1621. Arkansas Code § 17-95-303(1) and (2), concerning the powers and duties of the Arkansas State Medical Board, are amended to read as follows:

(1) Make and adopt all rules~~, regulations,~~ and bylaws not inconsistent with the laws of this state or of the United States and necessary or convenient to perform the duties and to transact the business required by law;

(2) Have authority to promulgate and put into effect such rules ~~and regulations~~ as are necessary to carry out the purposes of the Arkansas Medical Practices Act, § 17-95-201 et seq., § 17-95-301 et seq., and § 17-95-401 et seq., and the intentions expressed therein;

SECTION 1622. Arkansas Code § 17-95-404(a), concerning examinations by the Arkansas State Medical Board, is amended to read as follows:

(a) The Arkansas State Medical Board by and through its rules ~~and regulations~~ will approve and designate the examinations to be given to those individuals who desire a license to practice medicine in the State of Arkansas. The board will further set forth the standards by rule ~~and regulation~~ for successful completion of the examination for licensure.

SECTION 1623. Arkansas Code § 17-95-405(b), concerning the credentials of a licensed physician and surgeon, is amended to read as follows:

(b) The issuance of a license by credentials by the board shall be at the sole discretion of the board, and the board may provide such rules ~~or regulations~~ governing such an admission as may be deemed necessary by or desirable to the board.

SECTION 1624. Arkansas Code § 17-95-406(b)(3), concerning the issuance of temporary permits to practice medicine by the Arkansas State Medical Board, is amended to read as follows:

(3) Nothing in this subsection shall prohibit the board from suspending or revoking the temporary permit of any person to whom a temporary permit is issued under the provisions of this subsection on any grounds which by law and ~~regulation~~ rule would be grounds to revoke or suspend the license of a person licensed to practice medicine in this state, or for such periods of time as the person to whom the temporary permit is issued is not under the supervision of a licensed and qualified physician in this state.

SECTION 1625. Arkansas Code § 17-95-410(b), concerning the denial, suspension, or revocation proceedings of the Arkansas State Medical Board, is amended to read as follows:

(b) If the board finds a probable violation of the Arkansas Medical Practices Act, § 17-95-201 et seq., § 17-95-301 et seq., and § 17-95-401 et seq., or the ~~regulations~~ rules of the board, the board shall review the complaint and issue an order and notice of hearing to the licensee.

SECTION 1626. Arkansas Code § 17-95-411(l)(B), concerning fees charged by the Arkansas State Medical Board, is amended to read as follows:

(B) If it is determined by the board that the credentials of the applicant are insufficient or the applicant withdraws his or her application before taking the examination, the board may return such portion of the fee as allowed by the ~~regulations~~ rules of the board;

SECTION 1627. The introductory language of Arkansas Code § 17-95-503(a), concerning the issuance of a temporary license by the Arkansas State Medical Board, is amended to read as follows:

(a) The Arkansas State Medical Board may issue a temporary license to any physician who meets the qualifications and requirements for medical licensure as established by the board except for successful passage of the examination as prescribed by the rules ~~and regulations~~ of the board. However, the physician must fulfill the following additional conditions and requirements to be eligible for temporary licensure:

SECTION 1628. Arkansas Code § 17-95-704(c)(1)(E), concerning Arkansas State Medical Board treatment prohibitions, is amended to read as follows:

(E) Revoke the physician's license for serious violations of statutes and ~~regulations~~ rules.

SECTION 1629. Arkansas Code § 17-95-704(c)(2), concerning Arkansas State Medical Board treatment prohibitions, is amended to read as follows:

(2) With a finding of severe violation of statutes and ~~regulations~~ rules, the board may initially impose the more severe sanctions.

SECTION 1630. Arkansas Code § 17-96-103(b), concerning penalties by the Arkansas Board of Podiatric Medicine for unlawful acts, is amended to read as follows:

(b) Except as otherwise provided in this section, any person who shall swear falsely to any affidavit or oral testimony made or given by virtue of the provisions of this chapter or the ~~regulations~~ rules of the board shall be guilty of perjury and upon conviction shall be subject to all the pains and penalties of perjury.

SECTION 1631. Arkansas Code § 17-96-202(a)(3)(A), concerning the organization and proceedings of the Arkansas Board of Podiatric Medicine, is amended to read as follows:

(3)(A) The board shall make and adopt all necessary rules~~,~~ ~~regulations,~~ and bylaws necessary or convenient to perform its duties and to transact business as required by law.

SECTION 1632. Arkansas Code § 17-96-304(a), concerning examinations by the Arkansas Board of Podiatric Medicine, is amended to read as follows:

(a) The Arkansas Board of Podiatric Medicine may make such rules ~~and regulations~~ governing the conduct of the examinations as it shall deem necessary, and willful violation of the rules ~~and regulations~~ shall subject the applicant to the loss of the examination fee.

SECTION 1633. Arkansas Code § 17-97-203(3), concerning the powers and duties of the Arkansas Psychology Board, is amended to read as follows:

(3) From time to time adopt rules ~~and regulations~~ that comply with national guidelines and standards as it may deem necessary for the performance of its duties;

SECTION 1634. Arkansas Code § 17-97-302(c)(4), concerning application and qualifications for a licensed psychologist, is amended to read as follows:

(4) Tendered the appropriate application and fees as required under this chapter or the rules ~~and regulations~~ of the board.

SECTION 1635. Arkansas Code § 17-97-303(c), concerning application and qualifications for a licensed psychological examiner, is amended to read as follows:

(c) The board shall apply through its rules ~~and regulations~~ the qualifications of supervising psychologists and the restrictions and reporting requirements of supervision so as to implement the intent of this chapter without restricting the professional integrity of the psychological examiner and psychologist or the ultimate responsibility of the supervising psychologist.

SECTION 1636. Arkansas Code § 17-97-308(a), concerning the Arkansas Psychology Board annual registration fee and failure to reregister, is amended to read as follows:

(a) The Arkansas Psychology Board may adopt and enforce rules ~~and regulations~~ requiring every person having a license to practice to pay an annual registration fee in a sum to be fixed by the board.

SECTION 1637. Arkansas Code § 17-97-308(e), concerning the Arkansas Psychology Board annual registration fee and failure to reregister, is amended to read as follows:

(e)(1) All programs of continuing education for licensed psychologists or psychological examiners shall be subject to the approval of the board.

(2) The board is authorized to prescribe by ~~regulations~~ <u>rule</u> the:

(A) Minimum standards and requirements for continuing education programs for licensees;

(B) Procedures and policies for administering continuing education programs; and

(C) Manner and conditions under which credit will be granted for participation in continuing education programs.

SECTION 1638. Arkansas Code § 17-97-310(a)(8), concerning the grounds for denial, suspension, revocation, fine, letter of reprimand or additional education, and reinstatement of licensees by the Arkansas Psychology Board, is amended to read as follows:

(8) A violation of any rule ~~or regulation~~ of the board or the rules of ethics as adopted by the board.

SECTION 1639. Arkansas Code § 17-97-311(a)(1)(A)(ii), concerning denial, suspension, revocation, or other penalty proceedings of the Arkansas Psychology Board, is amended to read as follows:

(ii) Licensed to practice in Arkansas and anyone under his or her supervision is or may be in violation of this chapter or of any of the rules ~~and regulations~~ adopted by the board.

SECTION 1640. Arkansas Code § 17-97-312(l), concerning criminal background checks required by the Arkansas Psychology Board, is amended to read as follows:

(l) The board shall adopt the necessary rules ~~and regulations~~ to fully implement the provisions of this section.

SECTION 1641. Arkansas Code § 17-98-203(a), concerning rules of the State Board of Disease Intervention Specialists, is amended to read as follows:

(a) The State Board of Disease Intervention Specialists shall adopt such rules ~~and regulations~~ as are reasonably necessary to administer this chapter.

SECTION 1642. Arkansas Code § 17-98-203(d)(1), concerning rules of the State Board of Disease Intervention Specialists, is amended to read as follows:

(d)(1) The board shall promulgate rules ~~and regulations~~ establishing

standards for continuing education as a means to maintain professional competency.

SECTION 1643. Arkansas Code § 17-99-201(c)(1), concerning the powers and duties of the Arkansas State Medical Board and the Arkansas State Respiratory Care Examining Committee, is amended to read as follows:

(1) Adopt and put into effect rules ~~and regulations~~ to carry this chapter into effect;

SECTION 1644. Arkansas Code § 17-99-201(c)(5) and (6), concerning the powers and duties of the Arkansas State Medical Board and the Arkansas State Respiratory Care Examining Committee, are amended to read as follows:

(5)(A) With the advice and assistance of the committee, adopt rules ~~and regulations~~ for the issuance of temporary permits for students and graduates of approved training programs to practice limited respiratory care under the supervision of a respiratory care practitioner or physician.

(B) Rules ~~and regulations~~ shall be adopted defining for the purposes of this chapter the terms “students”, “limited”, “supervision”, and “approved training programs”; and

(6) With the advice and assistance of the committee, adopt rules ~~and regulations~~ for the issuance of licenses for respiratory care practitioners and put them into effect.

SECTION 1645. Arkansas Code § 17-99-205 is amended to read as follows:

17-99-205. Continuing education.

The Arkansas State Medical Board, in cooperation with the Arkansas Society for Respiratory Care Inc., shall develop and implement rules ~~and regulations~~ for continuing education.

SECTION 1646. Arkansas Code § 17-99-304(b), concerning reciprocity for a practitioner licensed to practice respiratory care, is amended to read as follows:

(b) The issuance of the license by reciprocity by the board shall be at the sole discretion of the board, and the board may provide rules ~~and regulations~~ governing such admission as it may deem necessary or desirable.

SECTION 1647. Arkansas Code § 17-99-307(7), concerning the grounds for denial, suspension, or revocation of a practitioner licensed to practice respiratory care, is amended to read as follows:

(7) Has been found to have violated any provisions of this chapter or rules ~~and regulations~~ of the Arkansas State Respiratory Care Examining Committee or board.

SECTION 1648. Arkansas Code § 17-100-104(8)(D), concerning exemptions from the Licensure Act of Speech-Language Pathologists and Audiologists, is amended to read as follows:

(D) These persons shall be required to comply with state ~~regulations~~ rules as speech-language pathology support personnel no later than January 1, 1997.

SECTION 1649. Arkansas Code § 17-100-106(a), concerning civil penalties levied by the Board of Examiners in Speech-Language Pathology and Audiology, is amended to read as follows:

(a) Any person who, after notice and hearing, is found by the Board of Examiners in Speech-Language Pathology and Audiology to have violated any provision of this chapter or any rule ~~or regulation~~ of the board may be assessed a civil penalty not to exceed one thousand dollars ($1,000) for each violation.

SECTION 1650. Arkansas Code § 17-100-107 is amended to read as follows:

17-100-107. Injunction against unlawful practice.

When any person not licensed by the Board of Examiners in Speech-Language Pathology and Audiology, or any licensee, shall engage in the practice of speech-language pathology or audiology as herein defined in violation of this chapter or the rules ~~and regulations~~ of the board, the board shall have the authority to go into the Pulaski County Circuit Court or the circuit court of the county in which the person resides and, upon affidavit, secure a writ of injunction, without bond, restraining and prohibiting the person from the practice of speech-language pathology or audiology in violation of this chapter.

SECTION 1651. Arkansas Code § 17-100-202(b), concerning the powers and duties of the Board of Examiners in Speech-Language Pathology and Audiology, is amended to read as follows:

(b)(1) The board shall adopt rules ~~and regulations~~ relating to professional conduct commensurate with the policy of this chapter, including, but not limited to, ~~regulations~~ rules which establish ethical standards of practice necessary to the enforcement and orderly administration of this chapter and, for other purposes, may amend or repeal the same in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

(2) The board shall promulgate ~~regulations~~ rules regarding the use of speech-language pathology support personnel by practitioners of speech-language pathology.

(3)(A) All rules ~~and regulations~~ promulgated pursuant to this section shall be reviewed by the House Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees thereof.

(B) Following their adoption, the rules ~~and regulations~~ shall govern and control the professional conduct of every person who holds a license to practice speech-language pathology or audiology in this state.

SECTION 1652. Arkansas Code § 17-100-207(b), concerning the licensing of audiologists by the Board of Examiners in Speech-Language Pathology and Audiology, is amended to read as follows:

(b) The Board of Examiners in Speech-Language Pathology and Audiology shall promulgate ~~regulations~~ rules governing the dispensing of hearing aids by audiologists licensed by the Board of Examiners in Speech-Language Pathology and Audiology, provided that such ~~regulations~~ rules shall be no less stringent than the ~~regulations~~ rules adopted by the Arkansas Board of Hearing Instrument Dispensers for the dispensing of hearing aids.

SECTION 1653. Arkansas Code § 17-100-302(f), concerning eligibility to be licensed by the Board of Examiners in Speech-Language Pathology and Audiology, is amended to read as follows:

(f) The board shall have the authority to adopt rules ~~and regulations~~ regarding the term and conditions for which a provisional license is granted.

SECTION 1654. Arkansas Code § 17-100-307(a)(4), concerning the denial, suspension, or revocation of a license, or other disciplinary action by the Board of Examiners in Speech-Language Pathology and Audiology, is amended to read as follows:

(4) Violating any lawful order~~,~~ or rule~~, or regulation~~ rendered or adopted by the board; or

SECTION 1655. Arkansas Code § 17-101-102(7), concerning the definition of "licensed veterinarian" under the Arkansas Veterinary Medical Practice Act, is amended to read as follows:

(7) "Licensed veterinarian" means a person who is validly and currently licensed to practice veterinary medicine in this state as a general practitioner or in a specialty area as the board may by ~~regulation~~ rule provide;

SECTION 1656. Arkansas Code § 17-101-203(7), concerning the powers and duties of the Veterinary Medical Examining Board, is amended to read as follows:

(7) Promulgate and enforce ~~regulations~~ rules necessary to establish recognized standards for the practice of veterinary medicine and to carry out the provisions of this chapter. The board shall make available to interested members of the public copies of this chapter and all ~~regulations~~ rules promulgated by the board;

SECTION 1657. Arkansas Code § 17-101-203(11), concerning the powers and duties of the Veterinary Medical Examining Board, is amended to read as follows:

(11) Bring proceedings in the courts for the enforcement of this chapter or any ~~regulations~~ rules made pursuant thereto; and

SECTION 1658. Arkansas Code § 17-101-301(c)(1), concerning veterinarians licensed by the Veterinary Medical Examining Board, is amended to read as follows:

(c)(1) The board by ~~regulation~~ rule may require that all applicants for licensure by examination complete a preceptorship program during their senior year under the supervision of a veterinarian licensed and in good

standing in any state, territory, or district of the United States.

SECTION 1659. Arkansas Code § 17-101-305(a)(3), concerning denial, suspension, or revocation of a veterinarian license by the Veterinary Medical Examining Board, is amended to read as follows:

(3) Use of advertising or solicitation which is false, misleading, or otherwise deemed unprofessional under ~~regulations~~ rules promulgated by the board;

SECTION 1660. Arkansas Code § 17-101-305(a)(8), concerning denial, suspension, or revocation of a veterinarian license by the Veterinary Medical Examining Board, is amended to read as follows:

(8) Failure to maintain professional premises and equipment in a clean and sanitary condition in compliance with ~~regulations~~ rules promulgated by the board;

SECTION 1661. Arkansas Code § 17-101-305(a)(11), concerning denial, suspension, or revocation of a veterinarian license by the Veterinary Medical Examining Board, is amended to read as follows:

(11) Unprofessional conduct by violation of a ~~regulation~~ rule promulgated by the board under this chapter;

SECTION 1662. Arkansas Code § 17-101-306(a), concerning a certificate of qualification as a veterinary technician issued by the Veterinary Medical Examining Board, is amended to read as follows:

(a) No person shall assist in the practice of veterinary medicine under the direction, supervision, and responsibility of a veterinarian as a veterinary technician without first applying for and obtaining a certificate of qualification from the Veterinary Medical Examining Board as a veterinary technician and having his or her employment registered in accordance with board ~~regulations~~ rules.

SECTION 1663. Arkansas Code § 17-101-309(a)(1), concerning renewal of a license, certificate, and registration issued by the Veterinary Medical Examining Board, is amended to read as follows:

(a)(1) All licenses, certificates, and registrations expire on March

31 each year and may be renewed by payment of the annual renewal fee established by ~~regulation~~ rule of the Veterinary Medical Examining Board.

SECTION 1664. Arkansas Code § 17-101-309(c), concerning renewal of a license, certificate, and registration issued by the Veterinary Medical Examining Board, is amended to read as follows:

(c) The board may provide by ~~regulation~~ rule for waiver of payment of any renewal fee of a licensed veterinarian or registered veterinary technician during any period when he or she is on active duty with any branch of the United States Armed Forces for not to exceed three (3) years or for the duration of a national emergency, whichever is longer.

SECTION 1665. Arkansas Code § 17-101-311(a)(1), concerning civil penalties assessed by the Veterinary Medical Examining Board, is amended to read as follows:

(a)(1) Whenever the Veterinary Medical Examining Board determines that any provision of this chapter or any ~~regulation~~ rule promulgated by the board pursuant to this chapter has been violated, the board may impose a civil penalty not to exceed five thousand dollars ($5,000) per violation.

SECTION 1666. Arkansas Code § 17-102-206(b)(5)(A), concerning the powers and duties of the Arkansas State Board of Acupuncture and Related Techniques, is amended to read as follows:

(5)(A) Adopt, publish, and, from time to time, revise such rules ~~and regulations~~ not inconsistent with the law as may be necessary to enable it to carry into effect the provisions of this chapter.

SECTION 1667. Arkansas Code § 17-102-206(b)(5)(C), concerning the powers and duties of the Arkansas State Board of Acupuncture and Related Techniques, is amended to read as follows:

(C) All proposed rules after the effective date of this act shall be approved in writing by the Arkansas State Medical Board under the Arkansas Administrative Procedure Act, § 25-15-201 et seq., but before submission to the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council;

SECTION 1668. Arkansas Code § 17-103-106(b)(1)(A), concerning penalties and enforcement of the Social Work Licensing Act, is amended to read as follows:

(b)(1)(A) When the Arkansas Social Work Licensing Board is made aware of a possible violation of § 17-103-105, a registered letter with a return receipt requested shall be mailed to the individual in question, calling to his or her attention the pertinent aspects of the law and the rules ~~and regulations~~ of the board.

SECTION 1669. Arkansas Code § 17-104-304(b), concerning license qualification for a perfusionist, is amended to read as follows:

(b) A provisional licensed perfusionist shall be under the supervision and direction of a licensed perfusionist at all times. ~~Regulations~~ Rules governing the supervision and direction of the provisionally licensed perfusionist shall not require the immediate physical presence of the supervising licensed perfusionist.

SECTION 1670. The introductory language of Arkansas Code § 17-104-309(a), concerning investigation of complaints by the State Board of Health, is amended to read as follows:

(a) The State Board of Health shall adopt ~~regulations~~ rules concerning the investigation of a complaint filed with the Department of Health. The ~~regulations~~ rules adopted under this section shall:

SECTION 1671. Arkansas Code § 17-104-310 is amended to read as follows:

17-104-310. Monitoring.

The State Board of Health shall develop a system for monitoring licensees' compliance with this chapter. ~~Regulations~~ Rules adopted under this section shall include procedures for monitoring licensees to determine that the licensee performs the acts required by the Department of Health and to identify and monitor licensees who represent a risk to the public.

SECTION 1672. Arkansas Code § 17-104-311(a)(2), concerning sanctions imposed by the Department of Health for violations of the Perfusionist Licensure Act, is amended to read as follows:

(2) Any violation of a ~~regulation~~ rule or code of ethics adopted by the State Board of Health.

SECTION 1673. Arkansas Code § 17-105-113(3), concerning discipline of a physician assistant by the Arkansas State Medical Board, is amended to read as follows:

(3) Violates any provision of this chapter or any ~~regulations~~ rules adopted by the board pertaining to this chapter;

SECTION 1674. Arkansas Code § 17-105-117(a), concerning the rulemaking authority of the Arkansas State Medical Board for licensure of physician assistants, is amended to read as follows:

(a) The Arkansas State Medical Board shall promulgate ~~regulations~~ rules in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., that are reasonable and necessary for the performance of the various duties imposed upon the board by this chapter, including, but not limited to:

(1) Establishing license renewal dates; and

(2) Setting the level of liability coverage.

SECTION 1675. Arkansas Code § 17-106-105(a)(1)(D), concerning the duties and powers of the State Board of Health under the Consumer-Patient Radiation Health and Safety Act, is amended to read as follows:

(D) Adopt, publish, and from time to time revise such rules ~~and regulations~~ not inconsistent with the law as may be necessary to enable it to carry into effect the provisions of this chapter.

SECTION 1676. Arkansas Code § 17-106-107(e), concerning the licensing requirements under the Consumer-Patient Radiation Health and Safety Act, is amended to read as follows:

(e) Licensees shall submit proof of having successfully completed at least six (6) hours of continuing medical education annually for license renewal. Continuing education may be provided by the licensed practitioner or a hospital in-service education department according to the rules ~~and regulations~~ prescribed by the board.

SECTION 1677. Arkansas Code § 17-106-108(c), concerning examinations under the Consumer-Patient Radiation Health and Safety Act, is amended to read as follows:

(c) An applicant who fails to pass the examination may reapply for the examination if the applicant complies with the ~~regulation~~ rule established by the State Board of Health.

SECTION 1678. Arkansas Code § 17-106-109(d)(2), concerning licenses issued by the Medical Ionizing Radiation Licensure Committee, is amended to read as follows:

(2) As a prerequisite for renewal, continuing education requirements shall be set by ~~regulation~~ rule.

SECTION 1679. Arkansas Code § 17-106-109(e)(1)(C), concerning licenses issued by the Medical Ionizing Radiation Licensure Committee, is amended to read as follows:

(C) Continuing education requirements shall be set by ~~regulation~~ rule.

SECTION 1680. Arkansas Code § 17-106-110(a)(7), concerning disciplinary actions by the Medical Ionizing Radiation Licensure Committee, is amended to read as follows:

(7) Has been found guilty of violations of a code of ethics that the board shall establish by ~~regulation~~ rule;

SECTION 1681. Arkansas Code § 17-106-110(a)(11), concerning disciplinary actions by the Medical Ionizing Radiation Licensure Committee, is amended to read as follows:

(11) Has failed to comply with any provision of this chapter or any of the rules ~~or regulations~~ pertaining to this chapter.

SECTION 1682. Arkansas Code § 17-107-310(11), concerning a disciplinary action of the Arkansas Orthotics, Prosthetics, and Pedorthics Advisory Board, is amended to read as follows:

(11) Has violated a ~~regulation~~ rule of the board;

SECTION 1683. Arkansas Code § 18-11-404(2)(D)(i), concerning methods of posting no trespassing on forest lands, is amended to read as follows:

(D)(i) The type and color of the paint to be used for posting shall be prescribed by ~~regulation~~ rule by the Arkansas Forestry Commission.

SECTION 1684. Arkansas Code § 18-11-405(2)(D)(i), concerning methods of posting no trespassing on property other than forest, is amended to read as follows:

(D)(i) The type and color of the paint to be used for posting shall be prescribed by ~~regulation~~ rule by the Arkansas Forestry Commission.

SECTION 1685. Arkansas Code § 18-15-711 is amended to read as follows:

18-15-711. Raising of dam.

Any owner of any dam and mill, or other machinery erected by virtue of this subchapter, may raise his or her dam by permission of the court, under and by the same proceedings, ~~regulations~~ rules, and conditions provided in this subchapter.

SECTION 1686. Arkansas Code § 18-15-1703(e)(8), concerning a regulatory program taking of real property, is amended to read as follows:

(8) The discontinuance or modification of a program, rule, or regulation that provides a unilateral expectation that does not rise to the level of a recognized interest in private real property;

SECTION 1687. Arkansas Code § 18-15-1703(e)(12)(E), concerning a regulatory program taking of real property, is amended to read as follows:

(E) Under its police power to make laws, rules, and regulations for the benefit of its communities;

SECTION 1688. Arkansas Code § 18-16-301(7), concerning the definition of "rental agreement" under the law governing security deposits, is amended to read as follows:

(7) “Rental agreement” means all written or oral agreements and valid rules ~~and regulations~~ embodying the terms and conditions concerning the

use and occupancy of a dwelling unit and premises; and

SECTION 1689. Arkansas Code § 18-17-301(2), concerning the definition of "building and housing codes" under the Arkansas Residential Landlord-Tenant Act of 2007, is amended to read as follows:

(2) “Building and housing codes” means any law, ordinance, or governmental regulation or rule concerning fitness for habitation, or the construction, maintenance, operation, occupancy, use, or appearance of any premises or dwelling unit;

SECTION 1690. Arkansas Code § 19-1-203(1), concerning the duties of the Deputy Director of the Department of Finance and Administration, is amended to read as follows:

(1) Prepare and publish all necessary ~~regulations~~ rules for carrying out the budget and accounting laws of the state and have the authority to require of any state agency the necessary fiscal information for carrying out such laws;

SECTION 1691. Arkansas Code § 19-1-208 is amended to read as follows:

19-1-208. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration is vested with the authority to make such reasonable rules ~~and regulations~~, not inconsistent with the law, as shall be necessary or desirable for the orderly discharge of the duties vested in the Department of Finance and Administration.

SECTION 1692. Arkansas Code § 19-1-209(a), concerning required publications by the Director of the Department of Finance and Administration, is amended to read as follows:

(a) The Director of the Department of Finance and Administration shall publish and furnish copies to all state agencies of such ~~regulations~~ rules as are issued by him or her, pursuant to the provisions of law, providing for a general accounting procedure.

SECTION 1693. Arkansas Code § 19-1-301 is amended to read as follows:

19-1-301. Definition.

As used in this subchapter, unless the context otherwise requires, “fiscal impact statement” means a realistic statement of the estimated financial cost of implementing or complying with the proposed law, ~~regulation,~~ rule, policy, order, or administrative law upon municipalities or counties to which the proposed law, ~~regulation,~~ rule, policy, order, or administrative law applies.

SECTION 1694. Arkansas Code § 19-1-302 is amended to read as follows:

19-1-302. Before adoption of ~~regulation~~ rule, etc.

(a) No ~~regulation,~~ rule, policy, order, or administrative law which would have a fiscal impact on any municipality or county in this state shall be valid unless, thirty (30) days prior to its adoption by a board, commission, agency, department, officer, or other authority of the government of the State of Arkansas, excepting the General Assembly, the courts, and the Governor, the board, commission, agency, department, officer, or other authority has filed a fiscal impact statement with the Secretary of State.

(b) Any municipality or county which will be affected by the proposed ~~regulation,~~ rule, policy, order, or administrative law upon request shall immediately be furnished with a copy of the fiscal impact statement by the board, commission, agency, department, officer, or other authority.

SECTION 1695. Arkansas Code § 19-1-303(f), concerning the definition of "fiscal impact statement" in bills imposing new or additional costs on a municipality or county, is amended to read as follows:

(f) For the purposes of this section, the term “fiscal impact statement” means a realistic statement of the estimated financial cost to municipalities or counties of implementing or complying with a proposed law and ~~regulations~~ rules promulgated under it.

SECTION 1696. Arkansas Code § 19-1-602(a) and (b), concerning the intent and purpose of the State Fiscal Management Responsibility Act, are amended to read as follows:

(a) The General Assembly of the State of Arkansas has enacted various laws relating to the receipting, disbursing, depositing, and accounting for public funds, as well as laws relating to establishing salaries, and the purchasing of commodities by various state agencies. In addition, the

Department of Finance and Administration or other appropriate agency has issued rules ~~and regulations~~ pertaining to the administration of these various laws.

(b) It is the intent of the General Assembly that all state officers and employees comply with the provisions of these laws and ~~regulations~~ rules. Presently, most of these laws and ~~regulations~~ rules do not provide penalty provisions for violations thereof.

SECTION 1697. Arkansas Code § 19-1-603(3), concerning the definition of "fiscal responsibility and management laws" under the State Fiscal Management Responsibility Act, is amended to read as follows:

(3) "Fiscal responsibility and management laws" means the following laws and ~~regulations~~ rules applicable thereto, as amended:

(A) General Accounting and Budgetary Procedures Law, § 19-4-101 et seq.;

(B) State procurement laws, Arkansas Code Title 19, Chapter 11;

(C) Attendance and leave laws, § 21-4-101 et seq.;

(D) Regular Salary Procedures and Restrictions Act, § 21-5-101 et seq.;

(E) Uniform Classification and Compensation Act, § 21-5-201 et seq.;

(F) Higher Education Expenditure Restriction Act, § 6-63-301 et seq.;

(G) Accounts and Notes Receivable Abatement Act for the State of Arkansas, § 19-2-301 et seq.;

(H) Revenue Stabilization Law, § 19-5-101 et seq.;

(I) Revenue Classification Law, § 19-6-101 et seq.;

(J) Depositories for public funds, § 19-8-101 et seq.;

(K) Public works, § 22-9-101 et seq.; and

(L) State Fiscal Management Responsibility Act, § 19-1-601 et seq.;

SECTION 1698. Arkansas Code § 19-1-605 is amended to read as follows:

19-1-605. Civil procedures apply.

All actions and procedures under the provisions of this subchapter are

civil in nature and shall be governed by the appropriate rules~~, regulations,~~ and laws regarding civil actions and remedies.

SECTION 1699. Arkansas Code § 19-1-701(a), concerning the definition of "fiscal impact statement", is amended to read as follows:

(a) As used in this subchapter, “fiscal impact statement” means a realistic statement of the purpose of a proposed law, or a ~~regulation~~ rule promulgated under a law, and the estimated financial cost to the state or any local school district of implementing or complying with the proposed law or ~~regulation~~ rule.

SECTION 1700. Arkansas Code § 19-1-702 is amended to read as follows:

19-1-702. Fiscal impact statements required for ~~regulations~~ rules.

Thirty-five (35) days prior to the adoption of any ~~regulation~~ rule or other proposal that will impose a new or increased cost obligation for education on the state or any local school district, the board, commission, agency, department, officer, or other authority, excepting the General Assembly and the courts, shall give notice of such ~~regulation~~ rule or proposal and shall file a fiscal impact statement with the Secretary of State and the House Committee on Education and the Senate Committee on Education.

SECTION 1701. Arkansas Code § 19-2-307 is amended to read as follows:

19-2-307. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration is authorized to promulgate such rules ~~and regulations~~ as deemed necessary to implement the provisions and intent of this subchapter.

SECTION 1702. Arkansas Code § 19-2-509 is amended to read as follows:

19-2-509. Effect on other laws.

The provisions of this subchapter do not change, amend, or repeal any laws or ~~regulations~~ rules regarding a financial institution’s normal obligations and responsibilities to maintain customer financial records.

SECTION 1703. Arkansas Code § 19-3-403 is amended to read as follows:

19-3-403. Rules ~~and regulations~~.

The State Board of Finance may promulgate appropriate rules ~~and~~

~~regulations~~ for the administration of this subchapter, including the establishment of the necessary forms and loan instruments to be used in connection with making loans under the provisions of this subchapter.

SECTION 1704. Arkansas Code § 19-3-502(3), concerning the definition of "capital base" under the State Treasury Management Law, is amended to read as follows:

(3) "Capital base" means the sum of a bank's capital stock, surplus, and undivided profits, plus any additions and less any subtractions which the Bank Commissioner may by ~~regulation~~ rule prescribe;

SECTION 1705. Arkansas Code § 19-3-510(d), concerning accounts for deposits established by the Treasurer of State, is amended to read as follows:

(d) Funds from the State Treasury shall not be deposited into a bank depository or an investment depository except under the terms of a written agreement entered into between the Treasurer of State and the bank depository or investment depository that complies with applicable state law and rules and federal law, rules, and regulations.

SECTION 1706. Arkansas Code § 19-4-102(a)(2)(I), concerning the purpose of state accounting and budgetary procedures, is amended to read as follows:

(I) Authorize the promulgation of reasonable rules ~~and regulations~~ not inconsistent with applicable laws to achieve the purposes and intent of this chapter; and

SECTION 1707. Arkansas Code § 19-4-104 is amended to read as follows:

19-4-104. Rules ~~and regulations~~.

The Chief Fiscal Officer of the State is empowered to make, amend, and enforce such reasonable rules ~~and regulations~~, not inconsistent with law, as he or she shall deem necessary and proper to effectively carry out the provisions of this chapter and the public policy as set forth in § 19-4-102. Rules ~~and regulations~~ promulgated shall be published in an administrative procedures manual and distributed to the various state agencies.

SECTION 1708. Arkansas Code § 19-4-105(c)(1), concerning the duty of the Chief Fiscal Officer of the State and Internal Audit Section to make continuing studies and investigations of the operation of state agencies and the exemption of internal audit documentation from the Freedom of Information Act of 1967, is amended to read as follows:

(1) Review the financial and operating controls and the transactions of state agencies to determine the level of conformity with established laws, standards, ~~regulations~~ rules, and procedures;

SECTION 1709. Arkansas Code § 19-4-507 is amended to read as follows:

19-4-507. Fund accounting systems.

Governmental accounting systems should be organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special ~~regulations~~ rules, restrictions, or limitations.

SECTION 1710. Arkansas Code § 19-4-522(d)(1)(R), concerning maintenance and general operation classifications under the financial management system of the state, is amended to read as follows:

(R) Such other items of operating expense as shall be provided by the appropriation act or under reasonable rules~~, regulations,~~ and procedures issued by the Chief Fiscal Officer of the State; and

SECTION 1711. Arkansas Code § 19-4-524(a)(3), concerning the construction and permanent improvements classification under the financial management system of the state, is amended to read as follows:

(3) The payment of estimates on the various contracts in connection with such construction programs. All construction and improvements of whatever nature shall be subject to the provisions of §§ 19-4-1401 — 19-4-1412 and to the rules ~~and regulations~~ promulgated by the Chief Fiscal Officer of the State. No state agency for which appropriations have been made by the General Assembly for construction or improvements shall make any contract or incur any indebtedness payable from such appropriations unless and until

there are sufficient funds on hand, for the benefit of any agency, to pay for the proposed obligations under such contracts. However, any such agency shall have the power to accept and use grants and donations and to use its unobligated cash income or other funds available to it for the purpose of supplementing the appropriations for construction purposes. The appropriations and funds otherwise provided by the General Assembly for personal services, maintenance, and general operation of the agency shall not be used in connection with any proposed construction projects for which specific appropriations have been made by the General Assembly, except for minor repairs and maintenance.

SECTION 1712. Arkansas Code § 19-4-706 is amended to read as follows:

19-4-706. Interest and carrying charges.

State agencies, including exempt agencies, may enter into contracts which contemplate the payment of interest, late charges, but only when such late charges are incurred sixty (60) days after payment is due, or carrying charges under such ~~regulations~~ rules as may be promulgated by the State Procurement Director.

SECTION 1713. Arkansas Code § 19-4-814(4), concerning the requirements for supporting documentation for disbursement of funds, is amended to read as follows:

(4) In connection with the laws or ~~regulations~~ rules governing travel, where individuals are reimbursed for expenses incurred for travel in connection with their official duties, the supporting papers shall be the forms or statements of such expenses prescribed by the Chief Fiscal Officer of the State. In the case of per diem or other expenses established by law, the disbursing officer shall attach to the voucher issued in payment of such allowances a citation of his or her authority for making such payments;

SECTION 1714. Arkansas Code § 19-4-901 is amended to read as follows:

19-4-901. Rules ~~and regulations~~ generally.

The Chief Fiscal Officer of the State shall promulgate rules ~~and regulations~~ with respect to travel and travel allowances and prescribe the forms and procedures for reporting, approving, and paying such travel allowances for all officers and employees of the state government or for

other persons who are authorized to carry out official duties in connection with the business of the state.

SECTION 1715. Arkansas Code § 19-4-903(b)(2)(C), concerning state business travel expenses, standard reimbursements, and special authorizations, is amended to read as follows:

(C) The Chief Fiscal Officer of the State by ~~regulation~~ rule may establish procedures and the rate for reimbursing individuals for the use of privately owned airplanes while traveling on official business for the state.

SECTION 1716. Arkansas Code § 19-4-903(c), concerning state business travel expenses, standard reimbursements, and special authorizations, is amended to read as follows:

(c) The Chief Fiscal Officer of the State shall promulgate rules ~~and regulations~~ to implement the provisions of this subchapter.

SECTION 1717. Arkansas Code § 19-4-904(a)(1), concerning persons and agencies exempt from state travel regulations, is amended to read as follows:

(a)(1) The limitations of this subchapter relating to travel ~~regulations~~ rules shall not be applicable to:

(A) Except as provided in § 19-4-903(b), the constitutional or elective officials and their employees; or

(B) Official guests of the state.

SECTION 1718. Arkansas Code § 19-4-904(b)(1), concerning persons and agencies exempt from state travel regulations, is amended to read as follows:

(b)(1) Personal reimbursement will not be allowed to any state official, state employee, or any other person traveling on official business for expenses covering personal entertainment, flowers, valet service, laundry and cleaning, or other personal expenses, as those expenses shall be defined in the state travel ~~regulations~~ rules. All such persons shall be required to submit their travel reimbursement requests upon forms prescribed by the Department of Finance and Administration, itemized in such detail as shall be necessary to carry out the purposes and intent of this section.

SECTION 1719. Arkansas Code § 19-4-904(d)(5), concerning persons and agencies exempt from state travel regulations, is amended to read as follows:

(5) Other personal expenses to be paid only from auxiliary funds not inconsistent with standards, rules, ~~regulations,~~ or prohibitions established by recognized national or state governing associations pertaining to the respective students and employees and the institutions they are representing.

SECTION 1720. Arkansas Code § 19-4-905(c), concerning licensing of state-owned motor vehicles, is amended to read as follows:

(c) The Chief Fiscal Officer of the State shall make rules ~~and regulations~~ for obtaining the required license plates and for returning the plates when the vehicles are disposed of and shall notify all state agencies of procedures to be followed.

SECTION 1721. Arkansas Code § 19-4-1007(a), concerning the restriction of use of oil company credit cards not approved by the Chief Fiscal Officer of the State, is amended to read as follows:

(a) If it is determined by the Chief Fiscal Officer of the State to be essential to enable an agency, board, or commission to effectively carry out its responsibilities, the Chief Fiscal Officer of the State may authorize an agency, board, or commission, or certain employees thereof, to use state credit cards for which the state agency assumes liability for payment, under rules ~~and regulations~~ as may be prescribed by the Chief Fiscal Officer of the State.

SECTION 1722. Arkansas Code § 19-4-1008(a)(1), concerning the revolving fund for expenses regarding oil company credit cards, is amended to read as follows:

(a)(1) The Chief Fiscal Officer of the State is authorized to promulgate appropriate rules ~~and regulations~~ authorizing state agencies, boards, commissions, and institutions of higher education to establish revolving funds which shall be within such limitations as the Chief Fiscal Officer of the State may prescribe or to make advances of expense funds for authorized travel by officials and employees of state agencies, boards, commissions, and institutions of higher education whose travel is in

conjunction with institutionally sponsored events or programs. The advanced funds shall be reimbursed by the individual borrowing the funds from moneys to the individual upon filing an authorized expense account in connection with the travel.

SECTION 1723. Arkansas Code § 19-4-1008(b), concerning the revolving fund for expenses regarding oil company credit cards, is amended to read as follows:

(b) The ~~regulations~~ rules may authorize the state agency, board, commission, or institution of higher education to require the employee to file an agreement authorizing the agency to recover any amounts advanced for travel expense purposes from the amounts claimed and allowed the employee or student as reimbursement for actual expenses incurred, to recover them from the next or future salary payments to the employee, or add them to the receivables account of the student.

SECTION 1724. Arkansas Code § 19-4-1103(b), concerning the responsibility of agency head to ensure payment of obligations, is amended to read as follows:

(b) It shall also be the responsibility of the agency head to establish a system of pre-audit within his or her agency to ensure that checks and vouchers, before being released by the agency, are prepared in accordance with all applicable purchasing and fiscal laws~~,~~ and rules~~, and regulations~~ by performing the following functions. He or she shall determine that:

(1) Services, materials, supplies, and equipment received comply with specifications indicated on purchase documents;

(2) Quantities received, as being indicated on the invoice, agree with those shown on the receiving report;

(3) Unit prices agree with those indicated on the purchase documents;

(4) The extensions and footings of the invoice are correct;

(5) The voucher or check is prepared in sufficient time to take advantage of all available discounts being offered;

(6) Sufficient appropriation and funds are available for payment of the obligation; and

(7) The obligation was incurred in conformity with all purchasing and fiscal laws.

SECTION 1725. Arkansas Code § 19-4-1103(c)(4), concerning the responsibility of agency head to ensure payment of obligations, is amended to read as follows:

(4) The proposed voucher is prepared in accordance with the established general accounting procedures relating to appropriation titles and codes and the proposed transactions are identified and classified in accordance with the administrative ~~regulations~~ rules on the subject; and

SECTION 1726. Arkansas Code § 19-4-1104 is amended to read as follows:

19-4-1104. Duty to examine and approve.

It shall be the duty of the Chief Fiscal Officer of the State to design the state's financial management system to provide reasonable assurances that financial transactions conform to the provisions of law and ~~regulation~~ rules. He or she shall not be required to pass upon the propriety of any financial transaction if it is found to conform to the provisions of this subchapter. However, the Chief Fiscal Officer of the State may perform examinations of transactions to determine the propriety of the transactions in conformity with applicable laws and ~~regulations~~ rules.

SECTION 1727. Arkansas Code § 19-4-1107(4)(A), concerning supporting documents for the disbursement of state funds, is amended to read as follows:

(4)(A) In connection with the laws or ~~regulations~~ rules governing travel, when individuals are reimbursed for expenses incurred for travel in connection with their official duties, the supporting papers shall be the forms or statements of such expenses prescribed by the Chief Fiscal Officer of the State.

SECTION 1728. Arkansas Code § 19-4-1206(b)(2), concerning the duties of bonded disbursing officers for state agencies or funds, is amended to read as follows:

(2) Keep advised as to the laws or administrative ~~regulations~~ rules relating to general accounting procedures and restrictions for the disbursement of funds; and

SECTION 1729. Arkansas Code § 19-4-1209 is amended to read as follows:

19-4-1209. Compliance with other laws.

The disbursement of funds authorized by the General Assembly shall be limited to the appropriations and the funds made available for the support of such appropriations. The restrictions of the Arkansas Procurement Law, § 19-11-201 et seq., the Uniform Classification and Compensation Act, § 21-5-201 et seq., the Revenue Stabilization Law, § 19-5-101 et seq., and ~~regulations~~ rules promulgated by the Department of Finance and Administration authorized by law shall be strictly complied with in the disbursement of the funds.

SECTION 1730. Arkansas Code § 19-4-1210(a), concerning disbursement of funds when revenues are insufficient to meet appropriations, is amended to read as follows:

(a) The disbursements of funds shall be subject to the controls of the procedures authorized by this subchapter, other acts of the General Assembly, and rules ~~and regulations~~ established by the Department of Finance and Administration.

SECTION 1731. Arkansas Code § 19-4-1210(b)(2), concerning disbursement of funds when revenues are insufficient to meet appropriations, is amended to read as follows:

(2) The Chief Fiscal Officer of the State shall exercise the powers of his or her office to enforce the fiscal laws of the state to prohibit deficit spending and to promulgate rules ~~and regulations~~ which will require that all agencies comply with such fiscal laws. He or she may require, whenever he or she deems necessary, a financial report from any agency. If any such financial report or any other available information of any agency which has appropriated funds or an agency which has both state and bank funds shall reveal that the agency is in financial distress, then he or she may direct that all of the funds of the agency, including any bank funds, shall be subject to approval under the provisions of this chapter;

SECTION 1732. Arkansas Code § 19-4-1415(b)(4) and (5), concerning procedures for construction of building and facility projects exceeding five million dollars ($5,000,000), are amended to read as follows:

(4) The division shall have the authority to promulgate rules ~~and regulations~~ pertaining to the process for awarding and overseeing the contracts.

(5) The Board of Trustees of the University of Arkansas and the Board of Trustees of Arkansas State University shall be exempt from review and approval by the division and any ~~regulations~~ rules promulgated by it, provided that the Board of Trustees of the University of Arkansas and the Board of Trustees of Arkansas State University have adopted policies and procedures involving the awarding and oversight of the contracts for design and construction services.

SECTION 1733. Arkansas Code § 19-4-1415(e)(3)(B), concerning procedures for construction of building and facility projects exceeding five million dollars ($5,000,000), is amended to read as follows:

(B) Contracts for architectural, engineering, and land surveying professional consultant services shall be negotiated on the basis of demonstrated competence and qualifications for the type of services required and at fair and reasonable prices without the use of competitive bidding, and no rule ~~or regulation~~ shall inhibit the agency's authority to negotiate fees for the services.

SECTION 1734. Arkansas Code § 19-4-1501(3), concerning the uniform system of perpetual inventory, is amended to read as follows:

(3) By ~~regulation~~ rule, distinguish between items of equipment, and consumable supplies or goods, and such minor tools, materials, and parts as shall be deemed by him or her to be expendable within a reasonable period of time. He or she may also prescribe that minor equipment costing less than some minimum amount shall not be included in the perpetual inventory.

SECTION 1735. Arkansas Code § 19-4-1602(c), concerning payroll deductions for state employees, is amended to read as follows:

(c) Deductions authorized by this section shall be made in compliance with rules~~, regulations,~~ and procedures established by the Chief Fiscal Officer of the State.

SECTION 1736. Arkansas Code § 19-4-1802(b), concerning petty cash

imprest funds for state agencies, is amended to read as follows:

(b) The petty cash imprest funds shall not be used to circumvent purchasing ~~regulations~~ rules, nor for the purpose of reimbursing individuals for travel expenses.

SECTION 1737. Arkansas Code § 19-4-1906(b)(2)(C), concerning procedures for the use of letters of credit, is amended to read as follows:

(C) The Chief Fiscal Officer of the State, after consulting with the Auditor of State and the Treasurer of State, may prescribe such rules ~~and regulations~~ as necessary to implement a checks-paid or delay-of-drawdown letter of credit system.

SECTION 1738. Arkansas Code § 19-4-2201(a)(2), concerning the definition of "nondiscretionary grant", is amended to read as follows:

(2) “Nondiscretionary grant” means a grant in which the recipient of the grant funds or the formula for the grant award is specifically stated in the legislation authorizing the grant, or in specific agency ~~regulations~~ rules promulgated by the agency and reviewed by the Legislative Council, or in the case of federal funds, in the statute, regulation, or other federal directive which restricts the disbursement of the funds according to federal guidelines; and

SECTION 1739. Arkansas Code § 19-5-704(c), concerning the administration of the Revenue Stabilization Law by the Chief Fiscal Officer of the State, is amended to read as follows:

(c) The Chief Fiscal Officer of the State shall have the authority to make such rules ~~and regulations~~ as are necessary to enforce the provisions of this subchapter.

SECTION 1740. Arkansas Code § 19-5-804 is amended to read as follows:

19-5-804. Administration.

This subchapter shall be administered by the Chief Fiscal Officer of the State. The Chief Fiscal Officer of the State shall have the authority to establish procedures and to make such rules ~~and regulations~~ as are necessary to enforce the provisions of this subchapter.

SECTION 1741. Arkansas Code § 19-5-944(b), concerning the establishment of the County Assessors' Continuing Education Trust Fund, is amended to read as follows:

(b) The funds in the County Assessors' Continuing Education Trust Fund shall be used exclusively for the establishment and operation of a continuing education program for county assessors and for paying the meals, lodging, registration fees, and mileage at the rate prescribed in state travel ~~regulations~~ rules of county assessors who attend the continuing education programs.

SECTION 1742. Arkansas Code § 19-5-953(b), concerning the establishment of the Long-Term Care Trust Fund, is amended to read as follows:

(b) The Long-Term Care Trust Fund shall consist of all moneys and interest received from the imposition of civil penalties levied by the state on long-term care facilities found to be out of compliance with the requirements of federal ~~or state~~ law or regulations, or state law or rules, there to be administered by the Director of the Department of Human Services solely for the protection of the health or property of residents of long-term care facilities, including, but not limited to, the payment for the costs of relocation of residents to other facilities, maintenance and operation of a facility pending correction of deficiencies or closure, and reimbursement of residents for personal funds lost.

SECTION 1743. Arkansas Code § 19-5-972(b), concerning the establishment of the Special State Assets Forfeiture Fund, is amended to read as follows:

(b) The fund shall consist of revenues as provided in § 5-64-505(i)(1)(B)(iv) and any other revenues as may be provided by law, there to be administered through rules ~~and regulations~~ established by the Arkansas Drug Director and distributed by the Arkansas Alcohol and Drug Abuse Coordinating Council in accordance with the intent and purposes of the Uniform Controlled Substances Act, § 5-64-101 et seq.

SECTION 1744. Arkansas Code § 19-5-1011(d), concerning the establishment of the Crime Information System Fund, is amended to read as

follows:

(d) Notwithstanding any other rule~~, regulation,~~ or provision of law to the contrary, the Arkansas Crime Information Center may transfer appropriation from the Contingency line item authorized for the Arkansas Crime Information Center to the Scrap Metal Logbook line item appropriation.

SECTION 1745. Arkansas Code § 19-5-1024(b), concerning the establishment of the Public Service Commission Tax Division Fund, is amended to read as follows:

(b) The Public Service Commission Tax Division Fund shall be used for the maintenance, operations, and improvement of the Tax Division of the Arkansas Public Service Commission in carrying out its functions, powers, and duties as set out by law and by ~~rule and regulation~~ rules not inconsistent with law.

SECTION 1746. Arkansas Code § 19-5-1131(b)(2), concerning the establishment of the Department of Workforce Services Training Trust Fund, is amended to read as follows:

(2) The fund shall be used for worker training under rules ~~and regulations~~ promulgated by the Director of the Department of Workforce Services.

SECTION 1747. Arkansas Code § 19-6-475 is amended to read as follows:

19-6-475. Securities Department Fund.

The Securities Department Fund shall consist of the first two million five hundred thousand dollars ($2,500,000) of those special revenues as specified in § 19-6-301(173), (174), (245), and (259) and such other funds as may be provided by law or regulatory action, there to be used for maintenance, operation, support, and improvement of the State Securities Department in carrying out its functions, powers, and duties as set out by law and by ~~and regulation~~ rules not inconsistent with law, as set out in § 23-42-211.

SECTION 1748. Arkansas Code § 19-10-203(b), concerning the duties of the Director of the Arkansas State Claims Commission, is amended to read as follows:

(b) The director shall be responsible for maintenance and custody of the docket, files, and records of the commission, including the transcripts of testimony and exhibits, with all papers and requests filed in proceedings, the minutes of all actions taken, and all of the commission's findings, determinations, opinions, reports, orders, and rules~~, and regulations~~.

SECTION 1749. Arkansas Code § 19-10-205 is amended to read as follows:

19-10-205. Rules ~~and regulations~~.

The Arkansas State Claims Commission shall have the power to make and alter or amend all rules ~~and regulations~~ governing the procedure before it which may be deemed necessary and expedient for the orderly discharge of its duties and which shall not be inconsistent with any of the provisions of this subchapter or other laws.

SECTION 1750. Arkansas Code § 19-11-102 is amended to read as follows:

19-11-102. Use of soybean ink in state printing.

Notwithstanding any law~~,~~ or rule~~, or regulation~~ to the contrary, all printing which is chargeable to or which is paid for with funds appropriated wholly or in part by the state, or any state department, division, bureau, board, commission, or agency, shall be printed in soybean ink; provided, however, that the soybean ink is comparable in price to other inks, and that it is equally suitable for use.

SECTION 1751. Arkansas Code § 19-11-203(1)(A), concerning the definition of "agency procurement official" under the Arkansas Procurement Law, is amended to read as follows:

(1)(A) "Agency procurement official" means any person authorized by a state agency to enter into and administer contracts and make written determinations and findings with respect to contracts, in accordance with procedures prescribed by this subchapter and the ~~regulations~~ rules promulgated under it.

SECTION 1752. Arkansas Code § 19-11-203(21), concerning the definition of "procurement agency" under the Arkansas Procurement Law, is amended to read as follows:

(21) "Procurement agency" means any state agency that is

authorized by this subchapter, by implementing ~~regulations~~ rules, or by way of delegation from the State Procurement Director to contract on its own behalf rather than through the central contracting authority of the State Procurement Director;

SECTION 1753. Arkansas Code § 19-11-208 is amended to read as follows:

19-11-208. Exemptions.

Commodities and services need not be procured through the Office of State Procurement, if procured by the out-of-state offices of state agencies for that out-of-state office's use but shall, nevertheless, be procured subject to the requirements of this subchapter and the state procurement ~~regulations~~ rules.

SECTION 1754. Arkansas Code § 19-11-213 is amended to read as follows:

19-11-213. Federal assistance requirements.

If federal assistance requirements or federal contract requirements conflict with this subchapter or ~~regulations~~ rules promulgated under it, nothing in this subchapter or its ~~regulations~~ rules shall prevent a state agency or political subdivision from complying with the terms and conditions of the federal assistance requirements or the federal contract requirements.

SECTION 1755. Arkansas Code § 19-11-215(b)(2), concerning the creation of the Office of State Procurement, is amended to read as follows:

(2) The rules ~~and regulations~~ authorized in this subchapter shall be approved by the Director of the Department of Finance and Administration prior to the filing of the rules ~~and regulations~~ in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1756. Arkansas Code § 19-11-217(b)(1), concerning the powers and duties of the State Procurement Director, is amended to read as follows:

(b)(1) Except as otherwise provided in this subchapter and upon the approval of the Director of the Department of Finance and Administration, the State Procurement Director shall have the authority and responsibility to promulgate ~~regulations~~ rules consistent with this subchapter.

SECTION 1757. Arkansas Code § 19-11-217(c)(7) and (8), concerning the

powers and duties of the State Procurement Director, are amended to read as follows:

(7) May establish, by ~~regulation~~ rule, a fee for receiving a written or electronic notice of invitations for bid; and

(8) Shall ensure compliance with this subchapter and implementing ~~regulations~~ rules by reviewing and monitoring procurements conducted by any designee, department, agency, or official delegated authority under this subchapter.

SECTION 1758. Arkansas Code § 19-11-218(3), concerning the authority of the State Procurement Director to delegate authority, is amended to read as follows:

(3) Delegate authority to such designees or to any state agency as the director may deem appropriate, within the limitations of state law and the state procurement ~~regulations~~ rules.

SECTION 1759. Arkansas Code § 19-11-220(a), concerning agency procurement officials, is amended to read as follows:

(a) In addition to any state agency authorized by ~~regulation~~ rule to have an agency procurement official, each of the following state agencies may elect to have such an official for commodities, technical and general services, and professional and consultant services, which are not within the exclusive jurisdiction of the State Procurement Director and which are not under state contract:

(1) Arkansas Department of Transportation;

(2) Arkansas State University-Beebe;

(3) Arkansas State University;

(4) Arkansas State University System;

(5) Arkansas Tech University;

(6) Henderson State University;

(7) Southern Arkansas University;

(8) University of Arkansas at Fayetteville;

(9) University of Arkansas Fund entities;

(10) University of Arkansas at Little Rock;

(11) University of Arkansas at Monticello;

(12) University of Arkansas at Pine Bluff;

(13) University of Arkansas for Medical Sciences;

(14) University of Central Arkansas;

(15) Arkansas State University-Mountain Home;

(16) Arkansas State University-Newport;

(17) Black River Technical College;

(18) Cossatot Community College of the University of Arkansas;

(19) East Arkansas Community College;

(20) National Park College;

(21) Arkansas Northeastern College;

(22) Arkansas State University Mid-South;

(23) North Arkansas College;

(24) Northwest Arkansas Community College;

(25) College of The Ouachitas;

(26) Ozarka College;

(27) Phillips Community College of the University of Arkansas;

(28) University of Arkansas Community College at Morrilton;

(29) University of Arkansas – Pulaski Technical College;

(30) University of Arkansas Community College at Rich Mountain;

(31) SAU-Tech;

(32) Southeast Arkansas College;

(33) South Arkansas Community College;

(34) University of Arkansas Community College at Batesville;

(35) University of Arkansas Community College at Hope;

(36) University of Arkansas at Fort Smith; and

(37) Department of Higher Education.

SECTION 1760. Arkansas Code § 19-11-220(b)(1), concerning agency procurement officials, is amended to read as follows:

(b)(1) Each official shall manage and establish internal procedures for the procurement office of the state agency authorized to have the official to ensure adequate administrative procedures and controls pursuant to law and the procurement ~~regulations~~ rules.

SECTION 1761. Arkansas Code § 19-11-220(c), concerning agency procurement officials, is amended to read as follows:

(c) Except for the promulgation by the State Procurement Director of

rules ~~and regulations~~ authorized in this subchapter and the letting of state contracts, all rights and practices granted herein to the Office of State Procurement and the State Procurement Director are granted to an official in the administration of contracts for the state agency authorized to have the official.

SECTION 1762. Arkansas Code § 19-11-221(b), concerning agency procurement officials for the Department of Correction, is amended to read as follows:

(b)(1) The officials of the Department of Correction and the Department of Community Correction shall have exclusive authority to procure perishable food items in accordance with applicable administrative procedures and controls established pursuant to this subchapter and the procurement ~~regulations~~ rules.

(2) Except as noted in this subsection and in subsection (c) of this section, the officials of the departments shall be subject to all other provisions and requirements of this subchapter and administrative procedures controls and procurement ~~regulations~~ rules provided in or promulgated pursuant to it.

SECTION 1763. Arkansas Code § 19-11-221(c)(2)(B), concerning agency procurement officials for the Department of Correction, is amended to read as follows:

(B) In the advertising for bids and the awarding of contracts, the state laws, procurement procedures, and rules ~~and regulations~~ shall be complied with in awarding the contracts.

SECTION 1764. Arkansas Code § 19-11-221(c)(3)(C)(i), concerning agency procurement officials for the Department of Correction, is amended to read as follows:

(C)(i) All purchases of farm machinery and equipment shall be in accordance with the applicable state procurement laws and rules ~~and regulations~~ promulgated thereunder.

SECTION 1765. Arkansas Code § 19-11-224 is amended to read as follows:

19-11-224. Interest and carrying charges.

State agencies, including exempt agencies, may enter into contracts which contemplate the payment of interest and late charges, but only when such late charges are incurred sixty (60) days after payment is due or carrying charges under such ~~regulations~~ rules as may be promulgated by the State Procurement Director.

SECTION 1766. Arkansas Code § 19-11-225 is amended to read as follows:

19-11-225. ~~Regulations~~ Rules.

(a) ~~Regulations~~ Rules shall be promulgated by the State Procurement Director in accordance with the applicable provisions of this subchapter and of the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

(b) No ~~regulation~~ rule shall change any commitment, right, or obligation of the state or of a contractor under a contract in existence on the effective date of the ~~regulation~~ rule.

(c)(1) No clause which is required by ~~regulation~~ rule to be included shall be considered to be incorporated by operation of law in any state contract without the consent of both parties to the contract to the incorporation.

(2) The parties to the contract may give such consent to incorporation by reference at any time after the contract has been entered into and without the necessity of consideration passing to either party.

SECTION 1767. Arkansas Code § 19-11-229(b)(2), concerning competitive sealed bidding, is amended to read as follows:

(2) The director may provide by ~~regulation~~ rule that it is not practicable to procure specified types of commodities, technical and general services, or professional and consultant services by competitive sealed bidding.

SECTION 1768. Arkansas Code § 19-11-229(g)(1), concerning competitive sealed bidding, is amended to read as follows:

(g)(1) Correction of patent or provable errors in bids that do not prejudice other bidders or withdrawal of bids may be allowed only to the extent permitted under ~~regulations~~ rules promulgated by the director and upon written approval of the Attorney General or a designee of such officer.

SECTION 1769. Arkansas Code § 19-11-232(a), concerning proprietary or sole source procurements, is amended to read as follows:

(a) Under ~~regulations~~ rules promulgated under this subchapter, a contract may be awarded for a required or designated commodity or service to a sole or mandatory supplier when the State Procurement Director, the head of a procurement agency, or a designee of either officer above the level of agency procurement official determines in writing that it is not practicable to use other than the required or designated commodity or service.

SECTION 1770. Arkansas Code § 19-11-233 is amended to read as follows:

19-11-233. Emergency procurements.

The State Procurement Director, the head of a procurement agency, or a designee of either officer may make or authorize others to make emergency procurements as defined in § 19-11-204(4) and in accordance with ~~regulations~~ rules promulgated by the director.

SECTION 1771. Arkansas Code § 19-11-235(a)(1), concerning responsibility of bidders and offerors in state procurement, is amended to read as follows:

(a)(1) A determination of nonresponsibility of a bidder or offeror shall be made in accordance with ~~regulations~~ rules promulgated by the State Procurement Director.

SECTION 1772. Arkansas Code § 19-11-235(c), concerning responsibility of bidders and offerors in state procurement, is amended to read as follows:

(c) The State Procurement Director or the agency procurement official may require the posting of a bid bond, a performance bond, or a similar assurance by any actual or prospective bidder, offeror, or contractor, under ~~regulations~~ rules promulgated under this subchapter.

SECTION 1773. Arkansas Code § 19-11-241(b), concerning specifications for commodities, technical and general services, and professional and consultant services, is amended to read as follows:

(b) The State Procurement Director shall promulgate ~~regulations~~ rules governing the preparation, maintenance, and content of standard and nonstandard specifications for commodities, technical and general services,

and professional and consultant services procured by the Office of State Procurement.

SECTION 1774. Arkansas Code § 19-11-242 is amended to read as follows:

19-11-242. Commodity management ~~regulations~~ rules.

The State Procurement Director shall promulgate ~~regulations~~ rules governing:

(1) The sale, lease, or disposal of surplus commodities by public auction, competitive sealed bidding, or other appropriate method designated by ~~regulation~~ rule, and no employee of the Department of Finance and Administration or member of the employee's immediate family shall be entitled to purchase any such commodities;

(2) The transfer of excess commodities within the state; and

(3) The sale, lease, or disposal of surplus commodities to not-for-profit organizations under § 22-1-101.

SECTION 1775. Arkansas Code § 19-11-243 is amended to read as follows:

19-11-243. Proceeds from surplus commodities.

The State Procurement Director shall promulgate ~~regulations~~ rules for the allocation of proceeds from the sale, lease, or disposal of surplus commodities, to the extent practicable, to the using agency which had possession of the commodity.

SECTION 1776. Arkansas Code § 19-11-245(b)(1)(A)(i), concerning debarment or suspension from consideration for award of contracts, is amended to read as follows:

(b)(1)(A)(i) After reasonable notice to the person involved and reasonable opportunity for that person to have a hearing before a committee according to ~~regulations~~ rules promulgated by the State Procurement Director, the director or the head of a procurement agency shall have authority to debar a person for cause from consideration for award of contracts, provided that doing so is in the best interests of the state.

SECTION 1777. Arkansas Code § 19-11-245(b)(2), concerning debarment or suspension from consideration for award of contracts, is amended to read as follows:

(2) The authority to debar or suspend shall be exercised in accordance with ~~regulations~~ rules promulgated by the director.

SECTION 1778. Arkansas Code § 19-11-245(c), concerning debarment or suspension from consideration for award of contracts, is amended to read as follows:

(c) The causes for debarment or suspension because of unsuitability for award of a contract shall be set forth in ~~regulations~~ rules promulgated by the director.

SECTION 1779. Arkansas Code § 19-11-246(b)(2), concerning resolution of contract and breach of contract controversies, is amended to read as follows:

(2) This authority shall be exercised in accordance with the law governing the Arkansas State Claims Commission and the ~~regulations~~ rules promulgated by the director.

SECTION 1780. Arkansas Code § 19-11-246(c)(1), concerning resolution of contract and breach of contract controversies, is amended to read as follows:

(c)(1) If such a claim or controversy is not resolved by mutual agreement, and after reasonable notice to the contractor and reasonable opportunity for the contractor to present the claim or controversy in accordance with the ~~regulations~~ rules promulgated by the director, the head of a procurement agency, the director, or the designee of either officer shall promptly issue a decision in writing.

SECTION 1781. Arkansas Code § 19-11-248 is amended to read as follows:

19-11-248. Finality of administrative determinations.

In any judicial action or other action provided by law, factual or legal determinations by employees, agents, or other persons appointed by the state shall have no finality and shall not be conclusive, notwithstanding any contract provision~~, regulation,~~ or rule of law to the contrary, except to the extent provided in:

(1) Section 19-11-239, which refers to finality of determinations;

(2) Section 19-11-244(e), which refers to resolution of protested solicitations and awards, finality of decision;

(3) Section 19-11-245(f), which refers to debarment or suspension, finality of decision; and

(4) Section 19-11-246(e), which refers to resolution of contract and breach of contract controversies, finality of decision.

SECTION 1782. Arkansas Code § 19-11-251 is amended to read as follows:

19-11-251. Intergovernmental use of commodities or services.

Any public procurement unit may enter into an agreement with any other public procurement unit or external procurement activity for the intergovernmental use of commodities, technical and general services, or professional and consultant services under the terms agreed upon between the parties and in accordance with the rules ~~and regulations~~ promulgated under this subchapter, independent of the requirements of:

(1) Sections 19-11-204, 19-11-228 — 19-11-240, and 19-11-263 that refer to source selection and contract formation; and

(2) Sections 19-11-205, 19-11-242, and 19-11-243 that refer to commodity management.

SECTION 1783. Arkansas Code § 19-11-252 is amended to read as follows:

19-11-252. Rules ~~and regulations~~.

The State Procurement Director may promulgate reasonable rules ~~and regulations~~ pertaining to the sale or acquisition of any commodities, technical and general services, or professional and consultant services belonging to or produced by another public procurement unit or external procurement activity as authorized in §§ 19-11-206 and 19-11-249 — 19-11-258.

SECTION 1784. Arkansas Code § 19-11-261(b), concerning cooperative purchase of paper products for local governments, is amended to read as follows:

(b)(1) The director shall promulgate ~~regulations~~ rules for administration of the program.

(2) The ~~regulations~~ rules shall be reviewed by the House Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees of the

committees.

SECTION 1785. Arkansas Code § 19-11-708(b), concerning the prohibition against contingent fees, is amended to read as follows:

(b) Representation of Contractor. Before being awarded a state contract other than by procedures set forth in the Arkansas Procurement Law, § 19-11-201 et seq., and ~~regulations~~ rules promulgated under the Arkansas Procurement Law, § 19-11-201 et seq., for small purchases, every person shall represent, in writing, that such person has not retained anyone in violation of subsection (a) of this section. Failure to do so constitutes a breach of ethical standards.

SECTION 1786. Arkansas Code § 19-11-712(b) and (c), concerning civil and administrative remedies against employees who breach ethical standards, are amended to read as follows:

(b) Supplemental Remedies. In addition to existing remedies for breach of the ethical standards of this subchapter, or ~~regulations~~ rules promulgated under this subchapter, the Director of the Department of Finance and Administration may impose any one (1) or more of the following:

(1) Oral or written warnings or reprimands;

(2) Forfeiture of pay without suspension;

(3) Suspension with or without pay for specified periods of time; and

(4) Termination of employment.

(c) Right to Recover from Employee Value Received in Breach of Ethical Standards. The value of anything received by an employee in breach of the ethical standards of this subchapter, or ~~regulations~~ rules promulgated under this subchapter, shall be recoverable by the state as provided in § 19-11-714, which refers to recovery of value transferred or received in breach of ethical standards.

SECTION 1787. Arkansas Code § 19-11-713(b) and (c), concerning civil and administrative remedies against nonemployees who breach ethical standards, are amended to read as follows:

(b) Supplemental Remedies. In addition to the existing remedies for breach of the ethical standards of this subchapter, or ~~regulations~~ rules

promulgated under this subchapter, the Director of the Department of Finance and Administration may impose any one (1) or more of the following:

(1) Oral or written warnings or reprimands;

(2) Termination of transactions; and

(3) Suspension or debarment from being a contractor or subcontractor under state contracts.

(c) Right to Recover from Nonemployee Value Transferred in Breach of Ethical Standards. The value of anything transferred in breach of the ethical standards of this subchapter, or ~~regulations~~ rules promulgated under this subchapter, by a nonemployee shall be recoverable by the state from such person as provided in § 19-11-714, which refers to recovery of value transferred or received in breach of ethical standards.

SECTION 1788. Arkansas Code § 19-11-714(a), concerning recovery of value transferred or received in breach of ethical standards by an employee or a nonemployee, is amended to read as follows:

(a) General Provisions. The value of anything transferred or received in breach of the ethical standards of this subchapter, or ~~regulations~~ rules promulgated under this subchapter, by an employee or a nonemployee may be recovered from both the employee and the nonemployee.

SECTION 1789. Arkansas Code § 19-11-715(a) and (b), concerning the duties of the Director of the Department of Finance and Administration, are amended to read as follows:

(a) ~~Regulations~~ Rules. The Director of the Department of Finance and Administration shall promulgate ~~regulations~~ rules to implement this subchapter and shall do so in accordance with this subchapter and the applicable provisions of the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

(b) Advisory Opinions. On written request of employees or contractors and in consultation with the Attorney General, the director may render written advisory opinions regarding the appropriateness of the course of conduct to be followed in proposed transactions. Such requests and advisory opinions may be duly published in the manner in which ~~regulations~~ rules of this state are published. Compliance with the requirements of a duly promulgated advisory opinion of the director shall be deemed to constitute

compliance with the ethical standards of this subchapter.

SECTION 1790. Arkansas Code § 19-11-716(b)(1), concerning participation in business incubators, is amended to read as follows:

(b)(1) The Director of the Department of Finance and Administration shall promulgate rules ~~and regulations~~ pursuant to the procedure for adoption as provided under the Arkansas Administrative Procedure Act, § 25-15-201 et seq., and under § 10-3-309 to implement a program allowing admittance to business incubators by faculty or staff of state-supported institutions of higher education or admittance by companies in which faculty or staff may hold an ownership interest.

SECTION 1791. Arkansas Code § 19-11-718(a)(2)(A)(ii), concerning special state employees, conflicts of interest, and definition of "covered board", is amended to read as follows:

(ii) An entity that is created by ~~regulation~~ rule, statute, legislative direction, executive order, or other informal means if the entity has decision-making authority over procurement criteria, contracts, appointment of individuals to negotiate procurement directly or indirectly, or the approval of procurements.

SECTION 1792. Arkansas Code § 19-11-902(e), concerning definitions and rules governing state procurement, is amended to read as follows:

(e) Arkansas Rehabilitation Services and the Division of State Services for the Blind shall undertake the inspection on a continuing basis of the workshops certified by each respective state agency to determine that they operate in accordance with the requirements of the statute and the ~~regulations~~ rules of this section.

SECTION 1793. Arkansas Code § 19-11-902(k), concerning definitions and rules governing state procurement, is amended to read as follows:

(k) Any alleged violation of these ~~regulations~~ rules shall be investigated by the Office of State Procurement, which shall notify the work center concerned and afford it an opportunity to submit a statement of facts and evidence.

SECTION 1794. Arkansas Code § 19-11-1005 is amended to read as follows:

19-11-1005. General guidelines and ~~regulations~~ rules.

The State Procurement Director, after soliciting suggestions from state agencies and after seeking and receiving the advice of the Attorney General and review by the Legislative Council or by the Joint Budget Committee, if the General Assembly is in session, shall publish general guidelines for the procurement of professional and consultant services contracts and general ~~regulations~~ rules governing the use of each type of contract.

SECTION 1795. Arkansas Code § 19-11-1007(1), concerning the certification of contracts by an agency head, is amended to read as follows:

(1) All information required by law and by ~~regulation~~ rule is supplied;

SECTION 1796. Arkansas Code § 19-11-1008(b), concerning the approval or disapproval of contracts by the State Procurement Director, is amended to read as follows:

(b) The director shall return to the contracting state agency any contract which fails to comply with the applicable laws and ~~regulations~~ rules governing the contract and shall approve any contract that complies with this subchapter.

SECTION 1797. Arkansas Code § 19-11-1010(c), concerning the development and use of performance-based contracts, is amended to read as follows:

(c) Under ~~regulations~~ rules promulgated by the State Procurement Director, all state agencies, boards, commissions, and institutions of higher education shall use performance-based standards in professional and consultant service contracts.

SECTION 1798. Arkansas Code § 19-11-1012(b)(9)(B)(ii), concerning standard contract forms for state procurement contracts, is amended to read as follows:

(ii) This reporting shall be done to allow the director to determine whether the state agency is utilizing a series of

contracts to avoid the use of the standard form and to avoid the application of appropriate ~~regulations~~ rules;

SECTION 1799. Arkansas Code § 19-11-1101(g), concerning state contract rules, procedures, and guidelines, is amended to read as follows:

(g) The Chief Fiscal Officer of the State may promulgate such rules, ~~regulations,~~ procedures, and guidelines as he or she may deem necessary and proper in order to carry out the provisions of this section.

SECTION 1800. Arkansas Code § 19-11-1207(b), concerning administration of the Guaranteed Energy Cost Savings Act, is amended to read as follows:

(b) The Arkansas Pollution Control and Ecology Commission may promulgate ~~regulations~~ rules for the administration of this subchapter to include without limitation the following:

(1) Standards for measuring and verifying the performance of energy cost savings measures;

(2) A standard contract form for use by a state agency in entering into a guaranteed energy cost savings contract;

(3) The adoption of the International Performance Measurement and Verification Protocol as it existed on a specific date; and

(4) To establish and collect a reasonable fee to cover the costs of administering this subchapter.

SECTION 1801. Arkansas Code § 20-2-104(c), concerning reimbursement for expenses for members of the Arkansas Minority Health Commission, is amended to read as follows:

(c) Any expense reimbursement shall not exceed the rate established for state employees in the state travel ~~regulations~~ rules.

SECTION 1802. Arkansas Code § 20-7-101 is amended to read as follows:

20-7-101. Violations — Penalties.

(a)(1) Every firm, person, or corporation violating any of the provisions of this act or any of the orders~~,~~ or rules~~, or regulations~~ made and promulgated in pursuance hereof shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred dollars ($100) nor more than five hundred dollars ($500) or by

imprisonment not exceeding one (1) month, or both.

(2) Each day of violation shall constitute a separate offense.

(b)(1)(A)(i) Every firm, person, or corporation who violates any of the rules ~~or regulations~~ issued or promulgated by the State Board of Health or who violates any condition of a license, permit, certificate, or any other type of registration issued by the board may be assessed a civil penalty by the board. The penalty shall not exceed one thousand dollars ($1,000) for each violation.

(ii) Each day of a continuing violation may be deemed a separate violation for purposes of penalty assessments.

(B) However, no civil penalty may be assessed until the person charged with the violation has been given the opportunity for a hearing on the violation.

(2) All fines collected under this subsection shall be deposited into the State Treasury and credited to the Public Health Fund to be used to defray the costs of administering this section.

(3) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Health may transfer all unexpended funds relative to fines collected under this subsection, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

(4) All rules ~~and regulations~~ promulgated pursuant to this subsection shall be reviewed by the House Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees thereof.

SECTION 1803. Arkansas Code § 20-7-109(a) and (b), concerning the authority of the State Board of Health to regulate public health, are amended to read as follows:

(a)(1) Power is conferred on the State Board of Health to make all necessary and reasonable rules ~~and regulations~~ of a general nature for:

(A) The protection of the public health and safety;

(B) The general amelioration of the sanitary and hygienic conditions within the state;

(C) The suppression and prevention of infectious,

contagious, and communicable diseases;

(D) The proper enforcement of quarantine, isolation, and control of such diseases; and

(E) The proper control of chemical exposures that may result in adverse health effects to the public.

(2) All rules ~~and regulations~~ promulgated pursuant to this subsection shall be reviewed by the House Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees thereof.

(b) However, if a patient can be treated with reasonable safety to the public health, he or she shall not be removed from his or her home without his or her consent, or the consent of the parents or guardian in the case of a minor, and the rules ~~and regulations~~, when made, shall be printed in pamphlet form, with such numbers of copies as may be necessary for the distribution of the information to health bodies, health and sanitary officers, and the public generally.

SECTION 1804. Arkansas Code § 20-7-110(a)(2), concerning the study and prevention of diseases by the State Board of Health, is amended to read as follows:

(2) The board shall make a study of the causes and prevention of infectious, contagious, and communicable diseases, and, except as otherwise provided in this act, the board shall have direction and control of all matters of quarantine ~~regulations~~ rules and enforcement. The board shall have full power and authority to prevent the entrance of such diseases from points outside the state.

SECTION 1805. Arkansas Code § 20-7-114(c), concerning the public health laboratory of the State Board of Health, is amended to read as follows:

(c) Subject to rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the department may transfer all unexpended funds relative to the laboratory services that pertain to fees collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 1806. Arkansas Code § 20-7-115(b), concerning the rules for the transportation of dead bodies by the State Board of Health, is amended to read as follows:

(b) Any violation of these rules ~~and regulations~~ shall be a misdemeanor.

SECTION 1807. Arkansas Code § 20-7-117(b)(2), concerning the creation of the State Hospice Office within the Department of Health, is amended to read as follows:

(2) All functions and duties of the office shall be carried out in accordance with the laws of Arkansas and the rules and ~~regulations~~ of the Health Services Permit Agency, the Health Services Permit Commission, and the Centers for Medicare & Medicaid Services.

SECTION 1808. Arkansas Code § 20-7-117(c)(1), concerning the creation of the State Hospice Office within the Department of Health, is amended to read as follows:

(c)(1) The ~~regulations~~ rules and requirements of the Health Services Permit Agency and the Health Services Permit Commission shall be revised to include separate permit-of-approval categories of healthcare facilities entitled “hospice facilities” and “hospice agencies” and to develop criteria for granting the permits of approval for hospice facilities and for hospice agencies for which applications shall be filed in accordance with the criteria.

SECTION 1809. Arkansas Code § 20-7-123(b)(2)(A), concerning fees collected by the State Board of Health or Department of Health, is amended to read as follows:

(2)(A) A fee to be collected for the review of plans and specifications covering improvements that by law or ~~regulation~~ rule are required to be reviewed by the State Board of Health or Department of Health, including without limitation plans and specifications covering waterworks, sewage works, swimming pools, hospitals and related facilities, food service and food processing establishments, and plumbing in public facilities.

SECTION 1810. Arkansas Code § 20-7-123(b)(3), concerning fees collected by the State Board of Health or Department of Health, is amended to read as follows:

(3) A fee of fifty dollars ($50.00) to be collected by the board or the department for each cemetery inspection as required by law or ~~regulation~~ rule.

SECTION 1811. Arkansas Code § 20-7-128(c)(2), concerning the State Board of Health maintenance fee for breath testing instruments, is amended to read as follows:

(2) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officers for the department may transfer all unexpended funds relative to the blood alcohol instrument maintenance program funds outlined in this section, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for the expenditures for the same purpose for any following year.

SECTION 1812. Arkansas Code § 20-7-129(d)(2), concerning the Department of Health reimbursement system for certain medical supplies or services, is amended to read as follows:

(2) Subject to rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, all unexpended funds that pertain to fees collected shall be carried forward and made available for expenditure for the same purposes for any following fiscal year.

SECTION 1813. Arkansas Code § 20-7-130(b)(1), concerning the recovery of expenditures for extraordinary operations by the Department of Health, is amended to read as follows:

(b)(1) The State Board of Health may promulgate rules ~~and regulations~~ necessary to carry out the intent and purpose of this section.

SECTION 1814. Arkansas Code § 20-7-130(e), concerning the recovery of expenditures for extraordinary operations by the Department of Health, is amended to read as follows:

(e) Subject to rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the department

may transfer all unexpended funds relative to the recovery of expenditures program that pertain to moneys collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 1815. Arkansas Code § 20-7-135(a), concerning the implementation of nutrition and physical activity standards, is amended to read as follows:

(a) After having consulted the Child Health Advisory Committee and the State Board of Health, the State Board of Education shall promulgate appropriate rules ~~and regulations~~ to ensure that nutrition and physical activity standards and body mass index for age assessment protocols are implemented to provide students with the skills, opportunities, and encouragement to adopt healthy lifestyles.

SECTION 1816. Arkansas Code § 20-7-205(a), concerning the State Board of Health rules for applications for grants, is amended to read as follows:

(a)(1) The State Board of Health may develop and implement rules ~~and regulations~~ to receive, review, and approve applications for grants for new construction, renovation, or expansion of local health unit facilities from counties or cities.

(2) The board may adopt such rules ~~and regulations~~ as may be necessary to provide for the distribution of such funds for the renovation, construction, improvement, and development of the State Health Building.

SECTION 1817. Arkansas Code § 20-7-205(d)(1), concerning the State Board of Health rules for applications for grants, is amended to read as follows:

(d)(1) Application for grants under this subchapter shall be made in accordance with the rules ~~and regulations~~ of the board, and each application shall be considered on a needs-assessment basis.

SECTION 1818. Arkansas Code § 20-7-303(b)(1)(D), concerning the collection and dissemination of health data, is amended to read as follows:

(D) Ensure confidentiality of data by enforcing appropriate rules ~~and regulations~~.

SECTION 1819. Arkansas Code § 20-7-303(c)(1), concerning the collection and dissemination of health data, is amended to read as follows:

(c)(1) All state agencies, including health profession licensing, certification, or registration boards and commissions, which collect, maintain, or distribute health data, including data relating to the Arkansas Medicaid Program, shall make available to the department such data as are necessary for the department to carry out its responsibilities under this subchapter or such rules ~~and regulations~~ as may be adopted as provided in § 20-7-305.

SECTION 1820. Arkansas Code § 20-7-303(c)(3), concerning the collection and dissemination of health data, is amended to read as follows:

(3) All hospitals and outpatient surgery centers licensed by the state shall submit information in a form and manner as prescribed by rules ~~and regulations~~ by the State Board of Health pursuant to § 20-7-305. However, if the same information is being collected by another state agency, the department shall obtain the data from the other state agency.

SECTION 1821. Arkansas Code § 20-7-305(a), concerning the confidentiality of health data, is amended to read as follows:

(a) The State Board of Health shall prescribe and enforce such rules ~~and regulations~~ as may be necessary to carry out this subchapter, including the manner in which data are collected, maintained, compiled, and disseminated, and including such rules as may be necessary to promote and protect the confidentiality of data reported under this subchapter.

SECTION 1822. Arkansas Code § 20-7-307(a)(1), concerning penalties for violation of health data confidentiality rules, is amended to read as follows:

(a)(1) Any person, firm, corporation, organization, or institution that violates any of the provisions of this subchapter or any rules ~~and regulations~~ promulgated under this subchapter regarding confidentiality of information shall be guilty of a Class C misdemeanor.

SECTION 1823. Arkansas Code § 20-7-307(b), concerning penalties for

violation of health data confidentiality rules, is amended to read as follows:

(b) Any person, firm, corporation, organization, or institution knowingly violating any of the provisions of this subchapter or any rules ~~and regulations~~ promulgated under this subchapter shall be guilty of a violation and upon conviction shall be punished by a fine of not more than five hundred dollars ($500).

SECTION 1824. Arkansas Code § 20-7-307(c)(1), concerning penalties for violation of health data confidentiality rules, is amended to read as follows:

(c)(1) Every person, firm, corporation, organization, or institution that violates any of the rules ~~and regulations~~ adopted by the State Board of Health or that violates any provision of this subchapter may be assessed a civil penalty by the board.

SECTION 1825. Arkansas Code § 20-8-110(g), concerning the collection and dissemination of health data, is amended to read as follows:

(g) The director shall prescribe such rules ~~and regulations~~ as may be necessary to carry out the purpose of this section.

SECTION 1826. Arkansas Code § 20-8-302(b)(1), concerning the use of funds from the Tobacco Settlement Proceeds Act, is amended to read as follows:

(b)(1) The department shall promulgate ~~regulations~~ rules to create a grant program which will allow local communities to participate in the Great Strides Grant Program.

SECTION 1827. Arkansas Code § 20-9-202(a), concerning the penalties for violations under the laws governing health facilities services, is amended to read as follows:

(a) Any person, partnership, association, or corporation establishing, conducting, managing, or operating any institution without first obtaining a license therefor as provided or violating any provision of this subchapter or ~~regulations~~ rules lawfully promulgated under this subchapter shall be guilty of a violation.

SECTION 1828. Arkansas Code § 20-9-205(a)(1), concerning the powers and duties of the State Board of Health, is amended to read as follows:

(1) Require such reports, make such inspections and investigations, and prescribe and enforce such reasonable rules ~~and regulations~~ as it finds necessary to effectuate the purposes of this subchapter;

SECTION 1829. Arkansas Code § 20-9-205(a)(8), concerning the powers and duties of the State Board of Health, is amended to read as follows:

(8) Prescribe and enforce such reasonable rules ~~and regulations~~ as are necessary to adopt a uniform billing form for hospitals within the state and to prescribe penalties for the failure or refusal to utilize and accept such forms. However, the form must be acceptable by Medicare and its intermediaries within the state and consistent with the form adopted at the federal level by Medicare and the National Uniform Billing Committee.

SECTION 1830. Arkansas Code § 20-9-205(b), concerning the powers and duties of the State Board of Health, is amended to read as follows:

(b) The department shall adopt, promulgate, and enforce such rules~~, regulations,~~ and standards as may be necessary for the accomplishment of the purposes of this subchapter. The rules~~, regulations,~~ and standards shall be modified, amended, or rescinded, from time to time, by the department as may be in the public interest.

SECTION 1831. Arkansas Code § 20-9-209(e), concerning construction program applications for funds, is amended to read as follows:

(e) The department by ~~regulation~~ rule shall provide an opportunity for fair hearing and appeal to every applicant who is dissatisfied with any action regarding an application.

SECTION 1832. Arkansas Code § 20-9-213(b) and (c), concerning licenses required and administered by the State Board of Health, are amended to read as follows:

(b) The State Board of Health may provide, by properly promulgating rules ~~and regulations~~, for the issuance of a recuperation center license.

(c) The Department of Health may provide, by properly promulgating rules ~~and regulations~~, for the issuance of permanent type licenses, subject to revocation.

SECTION 1833. Arkansas Code § 20-9-214(a), concerning the fees for the issuance of a license to hospitals or institutions, is amended to read as follows:

(a) The State Board of Health shall issue licenses for the operation of institutions, subject to this subchapter, when the institutions are found to comply with the provisions of this subchapter and such ~~regulations~~ rules as are lawfully promulgated by the Department of Health.

SECTION 1834. Arkansas Code § 20-9-214(c)(2)(B), concerning the fees for the issuance of a license to hospitals or institutions, is amended to read as follows:

(B) Applications shall set forth the full name and address of the institution for which the license is sought and such additional information as the department may require, including affirmative evidence of ability to comply with such reasonable standards~~,~~ and rules~~, and regulations~~ as may be lawfully prescribed in this subchapter.

SECTION 1835. Arkansas Code § 20-9-214(f), concerning the fees for the issuance of a license to hospitals or institutions, is amended to read as follows:

(f) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Health may transfer all unexpended funds relative to the health facility services that pertain to fees collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 1836. Arkansas Code § 20-9-215(a)(1), concerning the denial, suspension, and revocation of licenses issued by the State Board of Health, is amended to read as follows:

(1) Violation of any of the provisions of this subchapter or the rules ~~and regulations~~ lawfully promulgated under this subchapter; or

SECTION 1837. Arkansas Code § 20-9-215(f), concerning the denial, suspension, and revocation of licenses issued by the State Board of Health, is amended to read as follows:

(f) Witnesses may be subpoenaed by either party and shall be allowed fees at a rate prescribed by ~~regulations~~ rules.

SECTION 1838. Arkansas Code § 20-9-215(g), concerning the denial, suspension, and revocation of licenses issued by the State Board of Health, is amended to read as follows:

(g) The procedure governing hearings authorized by this section shall be in accordance with ~~regulations~~ rules promulgated by the department.

SECTION 1839. Arkansas Code § 20-9-217(a), concerning the alterations, additions, and new construction of facilities, is amended to read as follows:

(a) The State Board of Health shall prescribe by ~~regulation~~ rule that any licensee or applicant desiring to make specified types of alterations or additions to its facilities or to construct new facilities, before commencing the alterations, additions, or new construction, shall submit plans and specifications for them to the Department of Health for preliminary inspection and approval or recommendations with respect to compliance with the ~~regulations~~ rules and standards.

SECTION 1840. Arkansas Code § 20-9-218(b), concerning emergency service facilities, is amended to read as follows:

(b) The emergency services facilities shall be subject to inspection and to all other provisions of this subchapter and §§ 20-10-213 — 20-10-231 and all ~~regulations~~ rules promulgated under this subchapter and §§ 20-10-213 — 20-10-231.

SECTION 1841. Arkansas Code § 20-9-219(a)(2)(A), concerning the definition of "hospital" under the laws governing the inspection of health facilities, is amended to read as follows:

(2)(A) "Hospital" means a facility used for the purpose of providing inpatient diagnostic care or treatment, including general medical care, surgical care, obstetrical care, psychiatric care, and specialized

services or specialized treatment that is subject to the rules ~~and regulations~~ for hospitals in Arkansas.

SECTION 1842. Arkansas Code § 20-9-219(a)(3), concerning the definition of "inspection" under the laws governing the inspection of health facilities, is amended to read as follows:

(3) “Inspection” means the on-site review of the physical plant and practices as governed by the current rules ~~and regulations~~ of hospitals;

SECTION 1843. Arkansas Code § 20-9-219(a)(5), concerning the definition of "survey" under the laws governing the inspection of health facilities, is amended to read as follows:

(5) “Survey” means the on-site formal review process of a hospital by the division at regular intervals to ensure compliance with applicable rules ~~and regulations~~ adopted by the Department of Health.

SECTION 1844. Arkansas Code § 20-9-219(d), concerning the inspection of health facilities, is amended to read as follows:

(d) No hospital shall be required to submit accreditation by an accrediting organization, but whenever a hospital does not submit an accreditation certificate, the personnel of the department shall conduct such surveys as are prescribed by ~~regulation~~ rule.

SECTION 1845. Arkansas Code § 20-9-219(f) and (g), concerning the inspection of health facilities, are amended to read as follows:

(f) A validation survey may be conducted on five percent (5%) of deemed hospitals during any calendar year to determine continued compliance with state ~~regulations~~ rules.

(g) The department shall continue to have authority over new construction, renovations, and alterations of the hospitals as set forth in the current ~~regulations~~ rules.

SECTION 1846. Arkansas Code § 20-9-302(b)(3)(B)(iii)(a)(1), concerning abortion clinics and health centers, is amended to read as follows:

(1) The applicant or licensee is in violation of any state law~~,~~ or rule~~, or regulation~~; and

SECTION 1847. Arkansas Code § 20-9-302(e), concerning abortion clinics and health centers, is amended to read as follows:

(e) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the department may transfer all unexpended funds relative to the abortion clinics that pertain to fees collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 1848. Arkansas Code § 20-9-403 is amended to read as follows:

20-9-403. Regulation by Department of Health.

(a) The Department of Health shall establish and enforce ~~regulations~~ rules:

(1) Setting minimum standards for the construction, maintenance, and operation of a free-standing birthing center; and

(2) Setting qualifications for medical directors of free-standing birthing centers and for physicians who will perform deliveries in free-standing birthing centers.

(b) A freestanding birthing center shall meet life safety code and construction standards developed by the National Fire Protection Association and shall comply with ~~regulations~~ rules developed by the department.

SECTION 1849. Arkansas Code § 20-9-905(a), concerning the penalty for violations of the laws addressing facility utilization reviews, is amended to read as follows:

(a) A person who violates any provision of this subchapter or any ~~regulation~~ rule adopted under this subchapter shall be guilty of a violation and upon conviction shall be subject to a penalty not exceeding one thousand dollars ($1,000).

SECTION 1850. Arkansas Code § 20-9-906(a)(1) and (2), concerning the duties of the State Board of Health, are amended to read as follows:

(a)(1) In accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., the State Board of Health shall adopt ~~regulations~~ rules to implement this subchapter.

(2) ~~Regulations~~ Rules governing utilization review plans under this subchapter shall impose no greater requirements than those required for utilization review activities for state-certified health maintenance organizations under the laws of this state, as amended from time to time.

SECTION 1851. Arkansas Code § 20-9-906(b), concerning the duties of the State Board of Health, is amended to read as follows:

(b) The board shall issue a certificate to an applicant that has met all the requirements of this subchapter and all applicable ~~regulations~~ rules of the board.

SECTION 1852. Arkansas Code § 20-9-906(c)(2), concerning the duties of the State Board of Health, is amended to read as follows:

(2) Determine if the utilization review programs are in compliance with this subchapter and applicable ~~regulations~~ rules.

SECTION 1853. Arkansas Code § 20-9-908(a)(2), concerning the fee for application for certification by the State Board of Health, is amended to read as follows:

(2) Pay to the board the application fee established by the board ~~through regulation~~ by rule.

SECTION 1854. Arkansas Code § 20-9-910(b)(2), concerning the expiration of a certificate and renewal, is amended to read as follows:

(2) Pays the State Board of Health the renewal fee set by the board ~~through regulation~~ by rule; and

SECTION 1855. Arkansas Code § 20-9-911(a), concerning revocation or denial of a renewal certificate, is amended to read as follows:

(a) The State Board of Health may revoke or deny a certificate if the holder does not comply with performance assurances under this section, violates any provision of this subchapter, or violates any ~~regulation~~ rule adopted pursuant to this subchapter.

SECTION 1856. Arkansas Code § 20-9-911(b)(2), concerning revocation or denial of a renewal certificate, is amended to read as follows:

(2) Meet any applicable ~~regulations~~ rules the board adopted under this subchapter relating to the qualifications of private review agents or the performance of utilization review; and

SECTION 1857. Arkansas Code § 20-10-111(b)(2)(A), concerning disclosure statements for residential care and assisted living facilities, is amended to read as follows:

(A) Any medication administration, assistance taking medication, or reminders to take medication that the facility may by law, rule, or regulation provide;

SECTION 1858. Arkansas Code § 20-10-203(b), concerning the powers and duties of the Office of Long-Term Care, is amended to read as follows:

(b) The office may promulgate such rules ~~and regulations~~ not inconsistent with this chapter as it shall deem necessary or desirable to properly and efficiently carry out the purposes and intent of this chapter.

SECTION 1859. Arkansas Code § 20-10-204(a), concerning a notice of violation after an inspection or investigation by the Office of Long-Term Care, is amended to read as follows:

(a) If upon inspection or investigation the Office of Long-Term Care determines that a licensed long-term care facility is in violation of any federal or state law, rule, or regulation pertaining to Title XIX Medicaid certification or licensure, the office shall promptly serve by certified mail or other means that gives actual notice, a notice of violation upon the licensee when the violation is a classified violation as described in § 20-10-205.

SECTION 1860. Arkansas Code § 20-10-205(a), concerning the classification of violations by the Office of Long-Term Care, is amended to read as follows:

(a) The Office of Long-Term Care shall promulgate rules ~~and regulations~~ specifying classified violations in accordance with this section.

SECTION 1861. Arkansas Code § 20-10-206(b)(3), concerning civil penalties assessed by the Director of the Office of Long-Term Care, is

amended to read as follows:

(3) The extent to which the applicable statutes, rules, or regulations were violated;

SECTION 1862. Arkansas Code § 20-10-206(b)(4)(A), concerning civil penalties assessed by the Director of the Office of Long-Term Care, is amended to read as follows:

(A) Awareness of the applicable statutes, rules, and regulations and reasonable diligence in securing compliance;

SECTION 1863. Arkansas Code § 20-10-206(c), concerning civil penalties assessed by the Director of the Office of Long-Term Care, is amended to read as follows:

(c) Assessment of a civil penalty provided by this section shall not affect the right of the Office of Long-Term Care to take such other action as may be authorized by law, rule, or regulation.

SECTION 1864. Arkansas Code § 20-10-207(g)(1), concerning notice of violations provided to the media by the Office of Long-Term Care, is amended to read as follows:

(g)(1) A long-term care facility required to be licensed under this subchapter shall post in a conspicuous place, readily accessible to residents and visitors, the final certification survey following final administrative determination as defined by ~~regulation~~ rule of the statement of deficiencies and plans-of-correction survey report received by the facility.

SECTION 1865. Arkansas Code § 20-10-209(a)(2), concerning the disposition of funds to the Long-Term Care Trust Fund, is amended to read as follows:

(2) The fund shall consist of all moneys and interest received from the imposition of civil penalties levied by the state on long-term care facilities found to be out of compliance with the requirements of federal or state law, rules, or regulations, there to be administered by the Director of the Department of Human Services solely for the protection of the health or property of residents of long-term care facilities, including, but not limited to, the payment for the costs of relocation of residents to other

facilities, maintenance and operation of a facility pending correction of deficiencies or closure, and reimbursement of residents for personal funds lost.

SECTION 1866. Arkansas Code § 20-10-211(a) and (b), concerning the regulation of staffing of long-term care facilities, are amended to read as follows:

(a) The agency responsible for licensure and certification of long-term care facilities shall promulgate appropriate rules ~~and regulations~~ prescribing minimum staffing requirements for all long-term care facilities in the state. The agency shall conform to the requirements of the Arkansas Administrative Procedure Act, § 25-15-201 et seq., and other appropriate state laws in promulgating and placing rules ~~and regulations~~ into effect.

(b) Failure to comply with the rules ~~and regulations~~ promulgated by the appropriate agency pursuant to subsection (a) of this section shall be cause for revocation or suspension of the license or certification of any long-term care facility.

SECTION 1867. Arkansas Code § 20-10-214(a), concerning penalties for licensure violations of long-term care facilities, is amended to read as follows:

(a) Any person, partnership, association, or corporation establishing, conducting, managing, or operating any institution or facility or any combination of separate entities working in concert within the meaning of §§ 20-10-213 — 20-10-228 without first obtaining a license therefor as provided or violating any provision of §§ 20-10-213 — 20-10-228 or ~~regulation~~ rule lawfully promulgated under §§ 20-10-213 — 20-10-228 shall be guilty of a violation.

SECTION 1868. Arkansas Code § 20-10-216(a)(1), concerning the powers and duties of the Department of Human Services, is amended to read as follows:

(1) Require such reports, make such inspections and investigations, and prescribe and enforce such reasonable rules ~~and regulations~~ as it finds necessary to effectuate §§ 20-10-213 — 20-10-228;

SECTION 1869. Arkansas Code § 20-10-216(b), concerning the powers and duties of the Department of Human Services, is amended to read as follows:

(b) The department shall adopt, promulgate, and enforce such rules~~,~~ ~~regulations,~~ and standards as may be necessary for the accomplishment of §§ 20-10-213 — 20-10-228. The rules~~, regulations,~~ and standards shall be modified, amended, or rescinded by the department as may be in the public interest.

SECTION 1870. Arkansas Code § 20-10-220(e), concerning applications for medical facilities construction projects, is amended to read as follows:

(e) The department by ~~regulation~~ rule shall provide an opportunity for fair hearing and appeal to every applicant who is dissatisfied with any action regarding an application.

SECTION 1871. Arkansas Code § 20-10-224(b)(1), concerning licenses required by the Department of Human Services for long-term care facilities, is amended to read as follows:

(b)(1) By properly promulgating rules ~~and regulations~~, the Department of Human Services may provide for the issuance of provisional long-term care facility licenses and long-term care facility licenses, including the licensure of facilities with specialized wings, units, or rooms for dementia residents, those suffering from Alzheimer's disease, and other related conditions.

SECTION 1872. Arkansas Code § 20-10-225(a), concerning alterations, additions, and new construction of facilities, is amended to read as follows:

(a) The Department of Human Services shall prescribe by ~~regulation~~ rule that any licensee or applicant desiring to make specified types of alterations or additions to its facilities or to construct new facilities shall, before commencing such alterations, additions, or new construction, submit plans and specifications for them to the department for preliminary inspection and approval or recommendations with respect to compliance with the ~~regulations~~ rules and standards.

SECTION 1873. Arkansas Code § 20-10-226 is amended to read as follows:

20-10-226. Inspections of facilities.

The Department of Human Services shall make such inspections as it may prescribe by ~~regulation~~ rule.

SECTION 1874. Arkansas Code § 20-10-232 is amended to read as follows:

20-10-232. ~~Regulations~~ Rules, client rights, and sanctions.

(a) The Office of Long-Term Care shall promulgate and maintain pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq., separate ~~regulations~~ rules, client rights, and sanctions for intermediate care facilities for individuals with developmental disabilities operations and for other long-term care facilities regulated by the office.

(b) ~~Regulations~~ Rules which cover all facilities regulated by the office shall be included in each separate set of ~~regulations~~ rules. Changes and updates to each set of ~~regulations~~ rules shall specify which type of ~~regulations~~ rules are being updated or changed.

SECTION 1875. Arkansas Code § 20-10-403(a), concerning the qualifications for long-term care facility administrators, is amended to read as follows:

(a) The Office of Long-Term Care is vested with the authority and duty to prescribe minimum qualifications for long-term care facility administrators and license persons as long-term care facility administrators who make application for licensure and meet the minimum qualifications as prescribed in this section and by ~~regulation~~ rule of the office.

SECTION 1876. Arkansas Code § 20-10-404(d), concerning the application and fee for nursing home administrators, is amended to read as follows:

(d) This section and §§ 20-10-405 and 20-10-408 only apply to nursing home administrators and are not intended to require administrators in other kinds of long-term care facilities unless provided by ~~regulation~~ rule.

SECTION 1877. Arkansas Code § 20-10-405(d), concerning nursing home administrator's license renewal, is amended to read as follows:

(d) No request for renewal postmarked or received by the office after July 1 shall be considered unless, in addition to other requirements imposed by law or ~~regulation~~ rule, the licensee tenders a late charge in the amount of fifty dollars ($50.00).

SECTION 1878. Arkansas Code § 20-10-406(a), concerning reciprocity for long-term care facility administrators, is amended to read as follows:

(a) The Office of Long-Term Care may by ~~regulation~~ rule establish terms and conditions for reciprocity licensure of individuals currently licensed in good standing as long-term care facility administrators in other states.

SECTION 1879. Arkansas Code § 20-10-407(a), concerning the denial, revocation, or suspension of a long-term care facility administrator's license, is amended to read as follows:

(a) The Office of Long-Term Care may refuse to issue or renew a long-term care facility administrator's license or may revoke or suspend the license of a long-term care facility administrator if the office finds that the applicant or licensee does not qualify for licensure or has violated § 20-10-101(1)-(6), § 20-10-203(b), § 20-10-212, §§ 20-10-301 — 20-10-303 [repealed], § 20-10-402, § 20-10-403, § 20-10-405(b), § 20-10-406, and this section or ~~regulations~~ rules of the office relating to the proper administration and management of a long-term care facility.

SECTION 1880. Arkansas Code § 20-10-408(b), concerning the disposition of funds by the Office of Long-Term Care, is amended to read as follows:

(b) Subject to rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Human Services may transfer all unexpended funds relative to the licensure of nursing home administrators that pertain to fees collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 1881. Arkansas Code § 20-10-705 is amended to read as follows:

20-10-705. ~~Regulations~~ Rules.

(a) The Office of Long-Term Care shall promulgate ~~regulations~~ rules necessary to implement an aide training program for all long-term care facilities in this state, to prescribe in-service training programs, and to enforce compliance with those programs.

(b)(1) The ~~regulations~~ rules shall require training programs to:

(A) Provide no fewer than ninety (90) clock hours of training; and

(B) Include in those ninety (90) clock hours no fewer than fifteen (15) clock hours of training specific to Alzheimer's disease and related dementia.

(2) The training programs required under this subsection shall take effect only if funds are available.

(3) The training program established under this section shall be known as the "Barbara Broyles Training Program".

SECTION 1882. Arkansas Code § 20-10-803(a)(1), concerning penalties for violations of the laws governing home healthcare services, is amended to read as follows:

(a)(1) Any person who violates any provision of this subchapter or ~~regulations~~ rules lawfully promulgated under this subchapter shall be guilty of a violation.

SECTION 1883. Arkansas Code § 20-10-806(b), concerning the rules adopted by the State Board of Health and administered by the Division of Health Facilities Services, is amended to read as follows:

(b) The State Board of Health shall adopt, promulgate, and enforce such rules~~, regulations,~~ and standards as may be necessary for the accomplishment of the purposes of this subchapter. The rules~~, regulations,~~ and standards shall be modified, amended, or rescinded from time to time by the board as may be in the public interest, after first complying with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 1884. Arkansas Code § 20-10-808(a)(4), concerning the application for a license to provide home healthcare services, is amended to read as follows:

(4) Cooperate with any inspections the division may require for a license and comply with ~~regulations~~ rules and standards promulgated under this subchapter; and

SECTION 1885. Arkansas Code § 20-10-809(a)(1), concerning the issuance

of licenses for home healthcare services agencies, is amended to read as follows:

(a)(1) The Director of the Division of Health Facilities Services shall issue licenses for the operation of home healthcare services agencies which are found to comply with this subchapter and with the ~~regulations~~ rules of the State Board of Health.

SECTION 1886. Arkansas Code § 20-10-810(1), concerning the denial, suspension, or revocation of a license to operate a home healthcare services agency, is amended to read as follows:

(1) Violation of this subchapter or the rules ~~and regulations~~ lawfully promulgated under this subchapter; and

SECTION 1887. Arkansas Code § 20-10-812(c), concerning fees levied by the Division of Health Facilities Services, is amended to read as follows:

(c) Subject to those rules ~~and regulations~~ that may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Health may transfer all unexpended funds relative to this subchapter that pertain to fees collected except for those collected under subsection (a) of this section, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purposes for any following fiscal year.

SECTION 1888. Arkansas Code § 20-10-904(2), concerning the grounds for the appointment of a receiver to operate a long-term care facility, is amended to read as follows:

(2) A facility is in substantial or habitual violation of the standards of health, safety, or resident care established under state rules or federal regulations to the detriment of the welfare of the residents;

SECTION 1889. Arkansas Code § 20-10-909(12), concerning the duties of the receiver to operate a long-term health care facility, is amended to read as follows:

(12) Shall remedy violations of federal and state rules and regulations governing the operation of the facility;

SECTION 1890. Arkansas Code § 20-10-915(a)(2), concerning monitoring of a facility by the Department of Human Services, is amended to read as follows:

(2) The monitor shall observe operation of the facility, assist the facility by advising it on how to comply with the state and federal rules and regulations, and report periodically to the department on the operation of the facility.

SECTION 1891. Arkansas Code § 20-10-915(c), concerning monitoring of a facility by the Department of Human Services, is amended to read as follows:

(c) The department may promulgate any rules ~~and regulations~~ as necessary to implement this section.

SECTION 1892. The introductory language of Arkansas Code § 20-10-1003(b), concerning the rights of residents in long-term care facilities, is amended to read as follows:

(b) The Office of Long-Term Care shall promulgate through rules ~~and regulations~~ a residents' bill of rights which shall include provisions addressing each of the following as a minimum statement of residents' rights. The office may place restrictions or limitations on any right listed in this subsection when that is necessary to protect the health, welfare, or safety of the resident or other residents:

SECTION 1893. Arkansas Code § 20-10-1003(g), concerning the rights of residents in long-term care facilities, is amended to read as follows:

(g) The office shall prescribe through rules ~~and regulations~~ a synopsis of the residents' bill of rights which shall be posted at all times in a conspicuous location accessible to residents and the public in the facility.

SECTION 1894. The introductory language of Arkansas Code § 20-10-1005(a), concerning the procedure for transfer or discharge of residents to be followed by long-term care facilities, is amended to read as follows:

(a) The Office of Long-Term Care shall prescribe through rule ~~or regulation~~ the procedure for transfer or discharge of residents to be followed by long-term care facilities. The procedure shall include:

SECTION 1895. Arkansas Code § 20-10-1005(a)(1), concerning the procedure for transfer or discharge of residents to be followed by long-term care facilities, is amended to read as follows:

(1) Provisions for a written notice to be furnished to the resident, sponsor, and other appropriate parties thirty (30) days prior to any involuntary transfer or discharge and for ~~regulations~~ rules setting forth the following circumstances for which the written notice need not be furnished:

(A) The transfer or discharge is necessary to meet the resident's welfare, and the resident's welfare cannot be met in the facility;

(B) The transfer or discharge is appropriate because the resident's health has improved sufficiently so that the resident no longer needs the services provided by the facility;

(C) The safety of individuals in the facility is endangered;

(D) The health of individuals in the facility would otherwise be endangered;

(E) The resident has failed, after reasonable and appropriate notice, to pay or to have paid under state-administered programs on the resident's behalf an allowable charge imposed by the facility for an item or service requested by the resident and for which a charge may be imposed consistent with federal and state laws, rules, and regulations; or

(F) The facility ceases to operate;

SECTION 1896. The introductory language of Arkansas Code § 20-10-1006(a), concerning the establishment of a residents' council within each long-term care facility, is amended to read as follows:

(a) The Office of Long-Term Care shall prescribe through rule ~~or regulation~~ the establishment of a residents' council within each long-term care facility. The residents' council's duties shall include, but need not be limited to:

SECTION 1897. Arkansas Code § 20-10-1006(c), concerning the establishment of a residents' council within each long-term care facility, is amended to read as follows:

(c) The office shall prescribe rules ~~or regulations~~ which encourage the establishment of family councils for residents' families to meet in the facility with the families of other residents. The office shall require each facility to inform residents' families of their right to establish a family council within the facility.

SECTION 1898. Arkansas Code § 20-10-1203(2), concerning the administration and management of long-term care facilities, is amended to r

(2) Have available the regular, consultative, and emergency services of physicians licensed by the state and required by state and federal rules and regulations;

SECTION 1899. Arkansas Code § 20-10-1304(a), concerning the implementation of rules to provide for immunization against the influenza virus and pneumococcal disease in nursing home facilities, is amended to read as follows:

(a)(1)(A) The State Board of Health may promulgate rules ~~and regulations~~ to provide for the immunization against the influenza virus and pneumococcal disease as provided for in this subchapter.

(B) The Office of Long-Term Care shall be granted authority to enforce the rules ~~and regulations~~.

(2) The board may also promulgate rules ~~and regulations~~ to provide for the immunization of other individuals and require other institutions and facilities to provide the immunizations provided for in this subchapter.

SECTION 1900. Arkansas Code § 20-10-1402(a), concerning staffing standards for nursing facilities, is amended to read as follows:

(a) The Department of Human Services shall not issue or renew a license of a nursing facility unless that facility employs the direct-care staff needed to provide continuous twenty-four-hour nursing care and service to meet the needs of each resident of the nursing facility and the staffing standards required by all state rules and federal regulations.

SECTION 1901. Arkansas Code § 20-10-1403(c), concerning the ratio of staff to residents of nursing facilities, is amended to read as follows:

(c) Nursing facilities shall provide in-service training to their direct-care staffs pursuant to ~~regulations~~ rules promulgated by the office.

SECTION 1902. Arkansas Code § 20-10-1408(b), concerning penalties for a pattern of failure of a facility assessed by the Office of Long-Term Care, is amended to read as follows:

(b) The penalties stated in this subchapter are supplemental to any provisions in state or federal laws, rules, or regulations.

SECTION 1903. Arkansas Code § 20-10-1409(b), concerning the staffing standards for nursing facilities, is amended to read as follows:

(b)(1) If the Director of the Department of Human Services determines that the reimbursement methodology or available funding is insufficient or unable to pay for the minimum staffing standards under § 20-10-1403, the office, by ~~regulation~~ rule, may modify the requirements of § 20-10-1403 to ensure minimum staffing funds.

(2) If the Director of the Office of Long-Term Care determines that the minimum staffing standards under § 20-10-1403 or § 20-10-1404 have become insufficient at any time to ensure the health, safety, or welfare of nursing facility residents, by ~~regulation~~ rule, the office may increase minimum staffing standards or otherwise promulgate ~~regulations~~ rules to ensure the health, safety, or welfare of the nursing facility residents.

SECTION 1904. Arkansas Code § 20-10-1604(b), concerning administration by the Director of the Division of Medical Services of the Department of Human Services, is amended to read as follows:

(b)(1) In accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., the Division of Medical Services shall promulgate rules ~~and regulations~~ and prescribe forms for:

(A) The proper imposition and collection of the quality assurance fee;

(B)(i) The enforcement of this subchapter, including, but not limited to, license nonrenewal, letters of caution, sanctions, or fines.

(ii) The fine shall be at least ten thousand dollars ($10,000) but no more than twenty thousand dollars ($20,000). The fine and outstanding quality assurance fee shall accrue interest at the maximum rate

permitted by law from the date the quality assurance fee is due until payment of the quality assurance fee and the fine;

(C) The format for reporting by all nursing homes the total patient days and gross receipts; and

(D) The administration of the provisions of this subchapter.

(2) The rules ~~and regulations~~ shall not grant any exceptions to, or exceptions from, the quality assurance fee.

SECTION 1905. Arkansas Code § 20-10-1704(b)(1) and (2), concerning the assisted living program, are amended to read as follows:

(b)(1) The department shall promulgate rules ~~and regulations~~ not inconsistent with the provisions of this subchapter as it shall deem necessary or desirable to properly and efficiently carry out the purposes and intent of this subchapter.

(2) The ~~regulations~~ rules, including documentation, shall take into account the congregate nature of assisted living as opposed to individual settings, and the ~~regulations~~ rules shall include, but not be limited to:

(A) Fire, health, and life safety codes;

(B) Physical plant requirements, including space requirements for housing, toilet facilities, and related items;

(C) Staffing requirements; and

(D) Services requirements.

SECTION 1906. Arkansas Code § 20-10-1704(d)(1) and (2), concerning the assisted living program, are amended to read as follows:

(1) The facility shall provide a small refrigerator in each resident's room, except as otherwise provided by ~~regulation~~ rule;

(2) The facility shall provide a microwave oven in each resident's room, except as otherwise provided by ~~regulation~~ rule;

SECTION 1907. Arkansas Code § 20-10-1704(d)(4), concerning the assisted living program, is amended to read as follows:

(4) The application conforms to all other assisted living ~~regulations~~ rules, except as provided in this subchapter; and

SECTION 1908. Arkansas Code § 20-10-1704(f), concerning the assisted living program, is amended to read as follows:

(f) Assisted living ~~regulations~~ rules promulgated by the department shall be reasonable and shall not have the effect of excluding residential care facilities from entering the program, provided they meet the requirements of this subchapter.

SECTION 1909. Arkansas Code § 20-10-1705(b), concerning administrative fees, is amended to read as follows:

(b) The department shall promulgate rules ~~and regulations~~ necessary for charging administrative fees.

SECTION 1910. Arkansas Code § 20-10-1707(a)(2), concerning licensure of assisted living facilities, is amended to read as follows:

(2) The department shall promulgate rules ~~and regulations~~ for the licensure and operation of assisted living facilities.

SECTION 1911. Arkansas Code § 20-10-2204(b)(1)(C), concerning confidentiality of proceedings and records of a quality assurance committee, is amended to read as follows:

(C) Records or reports required to be kept by applicable law, rule, or regulation that are not created by or for the quality assurance committee;

SECTION 1912. Arkansas Code § 20-12-203(e) and (f), concerning the administration of the Rural Medical Clinic Revolving Loan Fund, are amended to read as follows:

(e) The State Board of Finance may make such reasonable rules ~~and regulations~~ and prescribe such forms and procedures as are deemed appropriate to enable it to enforce this subchapter.

(f) In addition to such criteria as are established by the State Board of Finance, the State Board of Health may establish through rules ~~and regulations~~ promulgated by the Department of Health criteria to implement the following requirements:

(1) That a person with an already established practice will not

be considered an eligible applicant except under extreme circumstances threatening the continuance of his or her service to the rural community;

(2) That the applicant shall serve a proportionate amount of Medicaid patients for the rural community;

(3) That the applicant shall demonstrate a willingness to work within the existing health care system;

(4) That the applicant shall practice a minimum of thirty-two (32) hours a week; and

(5) That no applicant with professional income guarantees from other sources shall be approved under this program.

SECTION 1913. Arkansas Code § 20-12-402(a), concerning duties of the Department of Health, is amended to read as follows:

(a) It shall be the responsibility of the Department of Health to promulgate all rules ~~and regulations~~ for making application for the matching funds required by this subchapter.

SECTION 1914. Arkansas Code § 20-12-502(3), concerning the administration of the Department of Health of the physician recruitment and retention program, is amended to read as follows:

(3) Adopt and enforce appropriate rules ~~and regulations~~ regarding forms to be used by applicants for grants, and eligibility of applicants, and such other rules ~~and regulations~~ as the department deems necessary or appropriate to carry out the purposes and intent of this subchapter and to prevent abuse of the program provided for in this subchapter; and

SECTION 1915. Arkansas Code § 20-12-603(b), concerning financial assistance for repayment of faculty medical student loans, is amended to read as follows:

(b) The University of Arkansas for Medical Sciences shall adopt reasonable ~~regulations~~ rules for the administration of this subchapter.

SECTION 1916. Arkansas Code § 20-13-101(c)(1), concerning the Emergency Medical Services Revolving Fund Act, is amended to read as follows:

(c)(1) It shall be the responsibility of the Division of Emergency

Medical Services of the Department of Health to promulgate all rules ~~and regulations~~ for making application for the matching funds.

SECTION 1917. Arkansas Code § 20-13-202(8), concerning the definition of "licensure" under the Emergency Medical Services Act, is amended to read as follows:

(8) "Licensure" means official acknowledgment by the department that an individual has demonstrated competence to perform the emergency medical services required for licensure under the rules~~, regulations,~~ and standards adopted by the board upon recommendation by the Emergency Medical Services Advisory Council;

SECTION 1918. Arkansas Code § 20-13-203(a), concerning applicability of the Emergency Medical Services Act, is amended to read as follows:

(a) All municipal, county, or state-operated rescue services which choose to provide advanced life support skills to the general public but which do not transport patients except in mass casualty incidents shall comply with all rules~~, regulations,~~ and standards duly promulgated under this subchapter.

SECTION 1919. Arkansas Code § 20-13-204 is amended to read as follows:

20-13-204. Penalties.

Any person violating this subchapter or any rule~~, regulation,~~ or order adopted in accordance with this subchapter shall be guilty of a misdemeanor and shall be punished by a fine of not more than one hundred dollars ($100) or by imprisonment for a period not to exceed thirty (30) days in the county jail, or by both fine and imprisonment.

SECTION 1920. Arkansas Code § 20-13-208 is amended to read as follows:

20-13-208. State Board of Health — Powers and duties.

(a)(1) The State Board of Health shall have the responsibility and authority to hold public hearings and promulgate and implement rules~~, regulations,~~ and standards which it deems necessary to carry out the provisions of this subchapter.

(2) However, before implementing any rules~~, regulations,~~ or standards, the board shall submit and obtain the review of the House

Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees.

(b) In addition, the board may establish appropriate rules~~, regulations,~~ and standards defining or limiting the emergency medical procedures or services that may be rendered by licensed emergency medical services personnel who are authorized to legally perform these services under the conditions set forth by the board, except that before implementing any rules~~, regulations,~~ and standards, the board shall submit and obtain the review of the House Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees.

SECTION 1921. Arkansas Code § 20-13-209(2), concerning the powers and duties of the Department of Health regarding emergency medical personnel, is amended to read as follows:

(2) Enforce the rules~~, regulations,~~ and standards promulgated by the State Board of Health for the administration and enforcement of this subchapter;

SECTION 1922. Arkansas Code § 20-13-209(5), concerning the powers and duties of the Department of Health regarding emergency medical personnel, is amended to read as follows:

(5) Issue and renew operational permits for each ambulance or advanced life support rescue or air ambulance service. However, no permit shall be issued unless each ambulance, advanced life support rescue unit, or air ambulance, when in use as such, conforms with the standards, requirements, and ~~regulations~~ rules as set forth by the board;

SECTION 1923. Arkansas Code § 20-13-506(a)(1), concerning the advisory committee regarding the statewide emergency poison control-drug information-toxicological laboratory services program, is amended to read as follows:

(a)(1) The Department of Health may appoint an advisory committee to assist in the development and review of ~~regulations~~ rules promulgated under the authority of this subchapter.

SECTION 1924. Arkansas Code § 20-13-706(b)(5), concerning the Director of the Arkansas Poison and Drug Information Center, is amended to read as follows:

(5) Appoint an advisory committee to assist in the development and review of ~~regulations~~ rules promulgated under the authority of this subchapter and reimburse the members for their expenses in accordance with § 25-16-901 et seq.;

SECTION 1925. Arkansas Code § 20-13-706(b)(7), concerning the Director of the Arkansas Poison and Drug Information Center, is amended to read as follows:

(7) Formulate, promulgate, adopt, amend, and enforce rules~~,~~ ~~regulations,~~ and regulatory standards necessary to effectuate this subchapter;

SECTION 1926. Arkansas Code § 20-13-903(a), concerning authorization to follow Emergency Medical Services Do Not Resuscitate Orders in the prehospital setting, is amended to read as follows:

(a) Qualified emergency medical services personnel may follow Emergency Medical Services Do Not Resuscitate Orders pertaining to adult patients in the prehospital setting in accordance with ~~regulations~~ rules promulgated by the State Board of Health, if the order available to the personnel is in a format approved by the Department of Health.

SECTION 1927. Arkansas Code § 20-13-1002(a)(1), concerning the issuance or renewal of an ambulance service license or a provisional ambulance service license, is amended to read as follows:

(a)(1) An application for the issuance or renewal of an ambulance service license or a provisional ambulance service license shall be made on forms provided by the Department of Health and shall be accompanied by any fee as required by law or by ~~regulations~~ rules promulgated by the department.

SECTION 1928. Arkansas Code § 20-13-1002(c), concerning the issuance or renewal of an ambulance service license or a provisional ambulance service license, is amended to read as follows:

(c) The department shall promulgate ~~regulations~~ rules for the

licensure and renewal of an ambulance service license.

SECTION 1929. Arkansas Code § 20-13-1005 is amended to read as follows:

20-13-1005. Revocation of license.

Three (3) formal citations during the license term for failure to comply with this subchapter and any ~~regulations~~ rules promulgated by the Department of Health in regard to ambulance services shall result in revocation of the ambulance service license.

SECTION 1930. Arkansas Code § 20-13-1006 is amended to read as follows:

20-13-1006. Regulation of mass casualty incidents.

In mass casualty incidents, which overwhelm the region's available resources, the Department of Health shall promulgate ~~regulations~~ rules which establish procedures for the transportation of patients by ambulances.

SECTION 1931. Arkansas Code § 20-13-1101(9), concerning the definition of "licensure" under the laws governing criminal records checks, is amended to read as follows:

(9) "Licensure" means the official acknowledgment by the Department of Health that an individual has demonstrated competence to perform the emergency medical services required for licensure under the rules~~, regulations,~~ and standards adopted by the State Board of Health upon recommendation by the Emergency Medical Services Advisory Council;

SECTION 1932. Arkansas Code § 20-13-1107(b), concerning the procedure to challenge the completeness or accuracy of criminal history information, is amended to read as follows:

(b) The Division of Emergency Medical Services of the Department of Health shall follow the established procedures for applicants to challenge determinations in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., as stated in the current EMS ~~Rules and Regulations~~ rules.

SECTION 1933. Arkansas Code § 20-13-1112 is amended to read as

follows:

20-13-1112. Forms — ~~Regulations~~ Rules.

The Arkansas Crime Information Center, the Identification Bureau of the Department of Arkansas State Police, and the Division of Emergency Medical Services of the Department of Health shall cooperate to prepare forms and promulgate consistent ~~regulations~~ rules as necessary to implement this subchapter.

SECTION 1934. Arkansas Code § 20-14-502(3)(B), concerning the definition of "early intervention services" under the early intervention program for infants and toddlers, is amended to read as follows:

(B) Are provided at no cost except when federal or state law, rules, or regulations provide for a system of payments by families, including a schedule of sliding fees;

SECTION 1935. Arkansas Code § 20-15-201 is amended to read as follows:

20-15-201. Reporting requirements.

The Department of Health shall accumulate such data concerning cancer in Arkansas and its residents as is deemed appropriate for the purposes of describing the frequency of cancer, furnishing reports to health professionals and the public, and for planning and evaluating cancer prevention and control programs. The data shall be collected under the authority of ~~regulations~~ rules promulgated by the State Board of Health.

SECTION 1936. Arkansas Code § 20-15-304(3) and (4), concerning the administration of laws regarding phenylketonuria, hypothyroidism, galactosemia, cystic fibrosis, and sickle-cell anemia by the Department of Health, are amended to read as follows:

(3) Promulgate ~~regulations~~ rules in conjunction with the Insurance Commissioner establishing:

(A) What persons and institutions shall be required to obtain specimens from newborn infants in compliance with this subchapter;

(B) The amount to be charged by the central laboratory for processing the specimens; and

(C) The method of billing the charges to the persons and institutions;

(4) Furnish copies of this subchapter and the rules promulgated pursuant to this subchapter to physicians, hospitals, or other institutions or persons required by its ~~regulations~~ rules to have tests administered to newborn infants;

SECTION 1937. Arkansas Code § 20-15-604 is amended to read as follows:

20-15-604. State Kidney Disease Commission — Advisory association.

(a) In developing rules ~~and regulations~~ and in determining standards for determining eligibility for financial assistance to persons suffering from chronic renal diseases who require lifesaving care and treatment for such renal diseases, the State Kidney Disease Commission shall consult with and obtain the advice of the Arkansas Association for Kidney Disease, Inc., a nonprofit corporation organized under the laws of this state. This organization is recognized as the representative body to serve as an advisory association to the commission and to the deputy director of the appropriate division as determined by the Director of the Department of Health in carrying out their functions and duties under this subchapter.

(b) Before promulgating rules ~~and regulations~~ and eligibility standards, the commission shall consult with the advisory association and shall give consideration to its recommendations in performing its duties under the provisions of this subchapter.

SECTION 1938. Arkansas Code § 20-15-605(b), concerning the disbursement of funds by the State Kidney Disease Commission, is amended to read as follows:

(b) The commissioner shall be governed by the policies, rules ~~and regulations~~, and procedures promulgated by the commission in disbursing funds appropriated, or otherwise made available, to the commission for renal disease treatment purposes.

SECTION 1939. Arkansas Code § 20-15-802 is amended to read as follows:

20-15-802. Screening program.

Every public elementary and secondary school in this state, every other institution supported by state funds which provides education to our minor children, and all private institutions which provide education to our minor children shall as soon as possible institute a continuing scoliosis screening

program to be conducted in accordance with ~~regulations~~ rules promulgated by the State Board of Health.

SECTION 1940. Arkansas Code § 20-15-803 is amended to read as follows:

20-15-803. ~~Regulations~~ Rules.

(a) The State Board of Health is directed to promulgate ~~regulations~~ rules as soon as possible to implement this subchapter.

(b) The ~~regulations~~ rules shall not be effective until concurred in by the State Board of Education.

(c) The ~~regulations~~ rules shall provide that no child shall be screened if his or her parent or guardian objects to the screening in writing, stating as the basis of the objection that it is contrary to the parent's or guardian's religious beliefs.

(d) The ~~regulations~~ rules shall provide that the schools shall not be required to hire personnel on a full-time, part-time, or consultant basis to conduct the screening, but they shall utilize school health personnel, volunteers, and other school employees who are not classroom teachers and who meet the qualifications prescribed by the ~~regulations~~ rules.

SECTION 1941. Arkansas Code § 20-15-906(b)(7), concerning reports to the Department of Health regarding acquired immunodeficiency syndrome or human immunodeficiency virus antigen or antibodies, is amended to read as follows:

(7) Those other persons as are required by the rules ~~and regulations~~ of the department.

SECTION 1942. Arkansas Code § 20-15-909 is amended to read as follows:

20-15-909. Implementation.

The State Board of Health shall promulgate ~~regulations~~ rules to provide for the distribution of human immunodeficiency virus (HIV) or acquired immunodeficiency syndrome (AIDS) medications to Arkansas citizens without ample resources or available avenues to acquire their medically necessary medications.

SECTION 1943. Arkansas Code § 20-15-1005(c)(2), concerning fees collected by the Department of Health, is amended to read as follows:

(2) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the department may transfer all unexpended funds that pertain to fees collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose in any following fiscal year.

SECTION 1944. Arkansas Code § 20-15-1102(5), concerning the definition of "risk factors" under the Newborn Infant Hearing Screening Program, is amended to read as follows:

(5) “Risk factors” are those criteria or factors, any one (1) of which identifies a newborn infant as being at risk for hearing impairment, as determined by the department and set forth in rules ~~and regulations~~ promulgated by the department;

SECTION 1945. Arkansas Code § 20-15-1103(b)(1), concerning the development of the Newborn Infant Hearing Screening Program, is amended to read as follows:

(1) Development through the promulgation of rules ~~and regulations~~ and criteria or factors to identify those newborn infants who are at risk for hearing impairment or of developing a progressive hearing impairment;

SECTION 1946. Arkansas Code § 20-15-1503(g), concerning the Universal Newborn Hearing Screening, Tracking, and Intervention Advisory Board, is amended to read as follows:

(g) The board shall have the authority to recommend rules ~~and regulations~~ to implement this subchapter, and the department shall promulgate these rules ~~and regulations by July 1, 2000.~~

SECTION 1947. Arkansas Code § 20-15-1503(h)(2), concerning the Universal Newborn Hearing Screening, Tracking, and Intervention Advisory Board, is amended to read as follows:

(2) Subsequent meetings shall be held quarterly at the call of the Chair of the Universal Newborn Hearing Screen, Tracking, and Intervention Advisory Board or as often as necessary to make recommendations to the

department so that the rules ~~and regulations~~ implementing this subchapter can be promulgated by July 1, 2000.

SECTION 1948. Arkansas Code § 20-15-1504(a), concerning hearing test results, is amended to read as follows:

(a) After July 30, 1999, and promulgation of rules ~~and regulations~~, every birthing hospital in this state with more than fifty (50) births per year shall provide or arrange for a bilateral physiological hearing screening on each birth admission. Medicaid shall reimburse the birthing hospital for the physiological screening with the reimbursement equal to that amount paid outpatient providers for the same service in addition to the current rate of per diem paid to the hospital.

SECTION 1949. Arkansas Code § 20-16-502(d), concerning notification of test results for sexually transmitted diseases, is amended to read as follows:

(d) Notification shall be submitted in writing and in such form and manner as prescribed by ~~regulations~~ rules of the Infectious Disease Branch of the Department of Health.

SECTION 1950. Arkansas Code § 20-16-505 is amended to read as follows:

20-16-505. Notification — Authority to regulate.

The Infectious Disease Branch of the Department of Health may enact each rule ~~and regulation~~ as is necessary to assure compliance with §§ 20-16-501 — 20-16-506.

SECTION 1951. Arkansas Code § 20-16-1707(a), concerning collection and reporting of information under the Woman's Right-to-Know Act, is amended to read as follows:

(a) The Department of Health shall develop and promulgate ~~regulations~~ rules regarding reporting requirements.

SECTION 1952. Arkansas Code § 20-17-801(a)(2), concerning the handling of fetal and human tissue, is amended to read as follows:

(2) However, human tissue shall not be delivered except as may be permitted by rules ~~and regulations~~ of the State Board of Health.

SECTION 1953. Arkansas Code § 20-17-801(c)(1), concerning the handling of fetal and human tissue, is amended to read as follows:

(c)(1) The board shall promulgate all reasonable and necessary rules ~~and regulations~~ to implement the provisions of this section.

SECTION 1954. Arkansas Code § 20-18-105(b)(1), concerning penalties under the Vital Statistics Act, is amended to read as follows:

(1) Any person who knowingly refuses to provide information required by this chapter or ~~regulations~~ rules adopted pursuant to this chapter;

SECTION 1955. Arkansas Code § 20-18-202 is amended to read as follows:

20-18-202. Regulatory powers of the State Board of Health.

The State Board of Health may adopt, amend, and repeal rules ~~and regulations~~ for the purpose of carrying out this chapter. All rules ~~and regulations~~ adopted under this chapter shall be reviewed by the House Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees of the House Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor.

SECTION 1956. Arkansas Code § 20-18-203(b)(1)(A), concerning the State Registrar of Vital Records, is amended to read as follows:

(A) Administer and enforce this chapter and the rules ~~and regulations~~ issued under this chapter and issue instructions for the efficient administration of the statewide system of vital statistics;

SECTION 1957. Arkansas Code § 20-18-203(b)(5), concerning the State Registrar of Vital Records, is amended to read as follows:

(5) To protect the integrity of vital records and to prevent the fraudulent use of birth certificates of deceased persons, the state registrar may match birth and death certificates, in accordance with ~~regulations~~ rules, which require proof beyond a reasonable doubt of the fact of death and to post the facts of death to the appropriate birth certificate and mark the birth certificate “Deceased”. Copies issued from birth certificates of

deceased persons shall be similarly marked.

SECTION 1958. Arkansas Code § 20-18-301(a), concerning the content of certificates and reports under the Vital Statistics Act, is amended to read as follows:

(a) In order to promote and maintain nationwide uniformity in the system of vital statistics, the forms of certificates, reports, and records required by this chapter or by ~~regulations~~ rules adopted under this chapter shall include as a minimum the items recommended by the federal agency responsible for national vital statistics.

SECTION 1959. Arkansas Code § 20-18-302(c), concerning persons required to keep records under the Vital Statistics Act, is amended to read as follows:

(c) A funeral director, embalmer, sexton, or other person who removes from the place of death or transports or finally disposes of a dead body or fetus, in addition to filing any certificate or other report required by this chapter or ~~regulations~~ rules promulgated under this chapter, shall keep a record which shall identify the dead body, and such information pertaining to the receipt, removal, and delivery of the dead body as may be required in ~~regulations~~ rules adopted by the State Board of Health.

SECTION 1960. Arkansas Code § 20-18-303(b), concerning the duty to furnish information under the Vital Statistics Act, is amended to read as follows:

(b) Any person or institution that in good faith provides information required by this chapter or ~~regulations~~ rules promulgated under this chapter shall not be subject to any action for damages.

SECTION 1961. Arkansas Code § 20-18-304 is amended to read as follows:

20-18-304. Disclosure of information prohibited — Exceptions.

(a) To protect the integrity of vital records and vital reports, to ensure their proper use, and to ensure the efficient and proper administration of the system of vital statistics, it shall be unlawful for any person to permit inspection of or to disclose information contained in vital records or vital reports or to copy or issue a copy of all or part of

any vital record or vital report except as authorized by this chapter and by ~~regulation~~ rule or by order of a court of competent jurisdiction.

(b)(1) The State Board of Health may authorize by ~~regulation~~ rule the disclosure of information contained in vital records for research purposes.

(2) The ~~regulations~~ rules shall provide for adequate standards of security and confidentiality of vital records and vital reports.

(3)(A) Disclosure of information which may identify any person or institution named in any vital record or vital report may be made only pursuant to ~~regulations~~ rules which require submission of written requests for information by researchers and execution of agreements that protect the confidentiality of the information provided.

(B) The agreements shall prohibit the release by the researcher of any information that might identify any person or institution other than releases that may be provided for in the agreement.

(4) Nothing in this section prohibits the release of information or data which would not identify any person or institution named in a vital record or vital report.

(c)(1) Appeals from decisions of custodians of vital records or vital reports designated under § 20-18-203(b) who refuse to disclose information from vital records or vital reports as prescribed by this section and the ~~regulations~~ rules issued under this section shall be made to the State Registrar of Vital Records, whose decision shall be binding upon such custodians.

(2) Within three (3) working days of the receipt of an appeal of a decision of a custodian of a vital record or vital report designated under § 20-18-203(b), the state registrar shall issue a decision on the appeal.

(d)(1) The state registrar shall send to the county assessor of each county within this state a monthly report listing the residents of that county who have died.

(2) The report shall be sent to each county assessor by email.

SECTION 1962. Arkansas Code § 20-18-305 is amended to read as follows:

20-18-305. Issuance of certified copies and data from system of vital statistics.

In accordance with § 20-18-304 and the ~~regulations~~ rules adopted pursuant to § 20-18-304:

(1)(A) The State Registrar of Vital Records and other custodians of vital records designated by the state registrar under § 20-18-203(b)(2) shall upon receipt of written application issue a certified copy of a vital record in their custody or a part thereof to the registrant, his or her spouse, child, parent, or guardian or his or her respective authorized designated representative.

(B) A requester as defined in § 9-9-801 is authorized to obtain a certified copy of an adoptee's original certificate of birth.

(C) Others may be authorized to obtain certified copies when they demonstrate that the vital record is needed for the determination or protection of their personal or property rights.

(D) The State Board of Health may adopt ~~regulations~~ rules to further define those who may obtain copies of vital records filed under this chapter;

(2) All forms and procedures used in the issuance of certified copies of vital records in the state shall be uniform and approved by the state registrar. All certified copies issued shall have security features that deter persons from altering, counterfeiting, duplicating, or simulating the document;

(3) Each copy or abstract issued shall show the date of registration and copies or abstracts issued from records marked "Delayed", "Amended", or "Certificate of Foreign Birth" shall be similarly marked and show the effective date;

(4) A certified copy or other copy of a death certificate containing cause-of-death information shall not be issued except as follows:

(A) Upon specific request of a spouse, child, parent, or other next of kin of the decedent or an authorized representative;

(B) When a documented need for the cause of death to establish a legal right or claim has been demonstrated;

(C) When the request for the copy is made by or on the behalf of an organization that provides benefits to the decedent's survivors or beneficiaries;

(D) Upon specific request by local, state, or federal agencies for research or administrative purposes approved by the state registrar;

(E) When needed for research activities approved by the

state registrar; or

(F) Upon receipt of an order from a court of competent jurisdiction ordering the release;

(5) A certified copy of a vital record or any part thereof issued in accordance with subdivision (l) of this section shall be considered for all purposes the same as the original and shall be prima facie evidence of the facts stated therein, provided that the evidentiary value of a certificate or vital record filed more than one (1) year after the event, or a vital record which has been amended, or a certificate of foreign birth shall be determined by the judicial or administrative body or official before whom the certificate is offered as evidence;

(6) The federal agency responsible for national vital statistics may be furnished such copies or data from the system of vital statistics as it may require for national statistics. The state registrar shall enter into an agreement with the federal agency that specifies the statistical or research purposes for which the records, reports, or data may be used. The agreement shall also set forth the support to be provided by the federal agency for the collection, processing, and transmission of such records, reports, or data. Upon written request of the federal agency, the state registrar may approve in writing additional statistical or research uses of the records, reports, or data supplied under the agreement;

(7) Upon request, federal, state, local, and other public government agencies may be furnished copies of records, reports, or data, provided that the copies or data shall be used solely in the conduct of their official duties;

(8)(A)(i) By agreement, the state registrar may transmit copies of records and other reports required by this chapter to offices of vital statistics outside this state when the records or other reports relate to residents of those jurisdictions or persons born in those jurisdictions.

(ii) The agreement shall require that the transcripts be used for statistical and administrative purposes only as specified in the agreement.

(iii) The agreement shall provide instruction for the proper retention and disposition of copies.

(B) Copies received from other jurisdictions by the Division of Vital Records shall be handled in the same manner as prescribed

in this subdivision (8);

(9) When one hundred (100) years have elapsed after the date of birth or fifty (50) years have elapsed after the date of death, marriage, divorce, or annulment, the records of these events in the custody of the state registrar shall become available to the public without restriction, in accordance with ~~regulations~~ rules which shall provide for the continued safekeeping of the records;

(10) Nothing in this section shall be construed to permit disclosure of information contained in the "Information for Medical and Health Use Only" section of the birth certificate or the "Information for Statistical Purposes Only" section of the certificate of marriage or certificate of divorce or annulment, unless specifically authorized by the state registrar for statistical or research purposes;

(11) No person shall prepare or issue any certificate which purports to be an original, certified copy, or copy of a vital record except as authorized in this chapter or ~~regulations~~ rules adopted pursuant to this chapter; and

(12) When the state registrar receives information that a certificate may have been registered through fraud or misrepresentation, he or she shall withhold issuance of any copy of that certificate pending an administrative hearing to determine whether fraud or misrepresentation has occurred. The state registrar shall offer the registrant or the registrant's authorized representative notice and opportunity to be heard. If upon conclusion of the hearing no fraud or misrepresentation is found, copies may be issued. If upon conclusion of the hearing, fraud or misrepresentation is found, the state registrar shall remove the certificate from the file. The certificate and evidence shall be retained but shall not be subject to inspection or copying, except upon order of a court of competent jurisdiction or by the state registrar for purposes of administering the vital statistics program.

SECTION 1963. Arkansas Code § 20-18-307(a), concerning the amendment of vital records and reports, is amended to read as follows:

(a) A certificate, vital report, or vital record registered under this chapter may be amended only in accordance with this chapter and ~~regulations~~ rules adopted by the State Board of Health to protect the integrity and

accuracy of vital records and vital reports.

SECTION 1964. Arkansas Code § 20-18-307(b)(2), concerning the amendment of vital records and reports, is amended to read as follows:

(2) The board shall prescribe by ~~regulation~~ rule the conditions under which additions or minor corrections may be made to certificates or vital records within one (1) year after the date of the event without the certificate's or vital record's being considered as amended.

SECTION 1965. Arkansas Code § 20-18-307(e), concerning the amendment of vital records and reports, is amended to read as follows:

(e) When an applicant does not submit the minimum documentation required in the ~~regulations~~ rules for amending a vital record or when the state registrar has cause to question the validity or adequacy of the applicant's sworn statements or the documentary evidence and if the deficiencies are not corrected, the state registrar shall not amend the vital record and shall advise the applicant of the reason for this action. The state registrar shall advise the applicant of his or her right of appeal to a court of competent jurisdiction.

SECTION 1966. Arkansas Code § 20-18-308(c), concerning the reproduction of records and files by the State Registrar of Vital Records, is amended to read as follows:

(c) The documents from which permanent reproductions have been made may be disposed of as provided by ~~regulation~~ rule.

SECTION 1967. Arkansas Code § 20-18-402(a), concerning the delayed registration of birth, is amended to read as follows:

(a) When the certificate of birth of a person born in the state has not been filed within one (1) year, a delayed certificate of birth may be filed in accordance with ~~regulations~~ rules of the State Board of Health. No delayed certificate shall be registered until the evidentiary requirements as specified in ~~regulations~~ rules have been met.

SECTION 1968. Arkansas Code § 20-18-402(d), concerning the delayed registration of birth, is amended to read as follows:

(d)(1) When an applicant does not submit the minimum documentation required in the ~~regulations~~ rules for delayed registration or when the State Registrar of Vital Records has cause to question the validity or adequacy of the applicant's sworn statement or the documentary evidence and, if the deficiencies are not corrected, the state registrar shall not register the delayed certificate of birth and shall advise the applicant of the reasons for this action. The state registrar shall further advise the applicant of his or her right of appeal to a court of competent jurisdiction.

(2) The board may by ~~regulation~~ rule provide for the dismissal of an application which is not actively prosecuted.

SECTION 1969. Arkansas Code § 20-18-403(b)(3), concerning the judicial procedure to register birth, is amended to read as follows:

(3) That diligent efforts by the petitioner have failed to obtain the evidence required in accordance with § 20-18-401 or § 20-18-402 and ~~regulations~~ rules adopted pursuant to § 20-18-401 or § 20-18-402;

SECTION 1970. Arkansas Code § 20-18-404(d), concerning certificates of birth for infants of unknown parentage, is amended to read as follows:

(d) If the child is identified and a certificate of birth is found or obtained, the report registered under this section shall be placed in a special file and shall not be subject to inspection except upon order of a court of competent jurisdiction or as provided by ~~regulation~~ rule.

SECTION 1971. Arkansas Code § 20-18-406(a)(2), concerning new birth certificates issued by the State Registrar of Vital Records, is amended to read as follows:

(2) A request that a new certificate be established and any evidence, as required by ~~regulation~~ rule, proving that the person has been legitimated, or that a court of competent jurisdiction has determined the paternity of the person or that both parents have acknowledged the paternity of the person and request that the surname be changed from that shown on the original certificate.

SECTION 1972. Arkansas Code § 20-18-406(c)-(e), concerning new birth certificates issued by the State Registrar of Vital Records, are amended to

read as follows:

(c) Upon receipt of a report of an amended certificate of adoption, the certificate of birth shall be amended as provided by ~~regulation~~ rule.

(d) Upon receipt of a report of annulment of adoption, the original certificate of birth shall be restored to its place in the files, and the new certificate and evidence shall not be subject to inspection except upon order of a court of competent jurisdiction or as provided by ~~regulation~~ rule.

(e) Upon written request of both parents and receipt of a sworn acknowledgment of paternity signed by both parents of a child born out of wedlock, the state registrar shall reflect paternity on the certificate of birth in the manner prescribed by ~~regulation~~ rule if paternity is not already shown on the certificate of birth.

SECTION 1973. Arkansas Code § 20-18-406(f)(2), concerning new birth certificates issued by the State Registrar of Vital Records, is amended to read as follows:

(2) After preparation of the birth certificate in the new name of the adopted person, the state registrar shall seal and file the certificate of adoption. This certificate shall not be subject to inspection except upon order of a court of competent jurisdiction or as provided by ~~regulation~~ rule or as otherwise provided by state law.

SECTION 1974. Arkansas Code § 20-18-501(e), concerning registration of marriage, is amended to read as follows:

(e) A marriage record not filed within the time prescribed by statute may be registered in accordance with ~~regulations~~ rules promulgated by the State Board of Health.

SECTION 1975. Arkansas Code § 20-18-601(f), concerning the registration and issuance of a death certificate, is amended to read as follows:

(f) If the cause of death cannot be determined within forty-eight (48) hours after death, the medical certification shall be completed as provided by ~~regulation~~ rule. The attending physician, State Medical Examiner, or county coroner shall give the funeral director or person acting as the funeral director notice of the reason for the delay, and final disposition of

the dead body shall not be made until authorized by the attending physician or State Medical Examiner or county coroner.

SECTION 1976. Arkansas Code § 20-18-602(a) and (b), concerning delayed registration of a death, are amended to read as follows:

(a) When a death occurring in this state has not been registered within the time period prescribed by § 20-18-601, a certificate may be filed in accordance with ~~regulations~~ rules promulgated by the State Board of Health. The certificates shall be registered subject to such evidentiary requirements as the board shall by ~~regulation~~ rule prescribe to substantiate the alleged facts of death.

(b) When an applicant does not submit the minimum documentation required by ~~regulation~~ rule for delayed registration or when the State Registrar of Vital Records has cause to question the validity or adequacy of the applicant's sworn statement or the documentary evidence, and if the deficiencies are not corrected, the state registrar shall not register the delayed certificate of death and shall advise the applicant of the reasons for this action and further advise the applicant of his or her right to appeal to a court of competent jurisdiction.

SECTION 1977. Arkansas Code § 20-18-603(c)(1)(B), concerning registration of termination of pregnancy, is amended to read as follows:

(B) A schedule for the disposition of these reports shall be provided for by ~~regulation~~ rule.

SECTION 1978. Arkansas Code § 20-18-604(a), concerning the final disposition of a dead body or fetus, is amended to read as follows:

(a) The funeral director or the person acting as the funeral director who first assumes custody of a dead body shall obtain authorization for final disposition of the dead body as provided in the ~~regulations~~ rules.

SECTION 1979. Arkansas Code § 20-18-701(8), concerning the definition of "rule" under the laws concerning the Putative Father Registry, is amended to read as follows:

(8) "~~Regulations~~ Rules" means ~~regulations~~ rules promulgated by the department for the purpose of implementing this subchapter.

SECTION 1980. Arkansas Code § 20-19-406(e), concerning the vaccination of wolves or wolf-dog hybrids, is amended to read as follows:

(e) If in the future the United States Department of Agriculture approves the use of rabies vaccines in wolves or wolf-dog hybrids, or both, then wolves and wolf-dog hybrids will fall under the same ~~regulations~~ rules as dogs regarding biting humans and rabies control.

SECTION 1981. Arkansas Code § 20-19-603(a)(8)(A)(iii), concerning exemptions to the laws governing nonhuman primates, is amended to read as follows:

(iii) The transporter has complied with all state laws and federal regulations regarding the transport.

SECTION 1982. Arkansas Code § 20-20-204(a), concerning penalties under the Arkansas Pesticide Use and Application Act, is amended to read as follows:

(a)(1) Any commercial or noncommercial applicator, dealer, or pilot who violates any provision of this subchapter or the ~~regulations~~ rules adopted under this subchapter shall be guilty of a violation and upon conviction shall be punished for the first offense by a fine of not less than one hundred dollars ($100) and not more than one thousand dollars ($1,000) and for the second and any additional offense by a fine of not less than five hundred dollars ($500) and not more than two thousand dollars ($2,000).

(2)(A) Any private applicator who violates any provision of this subchapter or the ~~regulations~~ rules adopted under this subchapter subsequent to having received a written warning from the State Plant Board for a prior violation shall be guilty of a violation and upon conviction shall be punished by a fine of not less than one hundred dollars ($100) and not more than five hundred dollars ($500) for each offense.

(B) An offense committed more than three (3) years after a previous conviction or written warning shall be considered as a first offense.

SECTION 1983. Arkansas Code § 20-20-206(a), concerning the powers and duties of the State Plant Board, is amended to read as follows:

(a)(1) The State Plant Board shall administer and enforce this subchapter and shall have authority to issue ~~regulations~~ rules after a public hearing following due notice to all interested persons to carry out the provisions of this subchapter. When the board finds it necessary to carry out the purpose and intent of this subchapter, ~~regulations~~ rules may relate to the time, place, manner, amount, concentration, or other conditions under which pesticides may be distributed or applied and may restrict or prohibit use of pesticides in designated areas during specified periods of time to prevent unreasonable adverse effects by drift or misapplication to:

(A) Plants, including forage plants, or adjacent or nearby lands;

(B) Wildlife in the adjoining or nearby areas;

(C) Fish and other aquatic life in waters in reasonable proximity to the area to be treated; and

(D) Humans, animals, or beneficial insects.

(2) In issuing ~~regulations~~ rules, the board shall give consideration to pertinent research findings and recommendations of other agencies of this state, the United States Government, or other reliable sources. The board may by ~~regulation~~ rule require that notice of a proposed application of a pesticide be given to owners or persons in control of lands adjoining the property to be treated or in the immediate vicinity thereof if it finds that the notice is necessary to carry out the purpose of this subchapter.

SECTION 1984. Arkansas Code § 20-20-206(b)(2)-(4), concerning the powers and duties of the State Plant Board, are amended to read as follows:

(2) The sale or distribution of pesticides for such uses in Arkansas or their use in pest control or other operation is prohibited, except in accordance with such rules ~~and regulations~~ as may be made by the board after a public hearing.

(3) The rules ~~and regulations~~ shall include rules ~~and regulations~~ which prescribe the time when and the conditions under which the materials may be used in different areas of the state.

(4) The board in its rules ~~and regulations~~ may charge inspection, permit, and license fees sufficient to cover the cost of enforcement of this subsection.

SECTION 1985. Arkansas Code § 20-20-206(c) and (d), concerning the powers and duties of the State Plant Board, are amended to read as follows:

(c) ~~Regulations~~ Rules adopted under this subchapter shall not permit any pesticide use which is prohibited by the Federal Insecticide, Fungicide, and Rodenticide Act and regulations or orders issued under the Federal Insecticide, Fungicide, and Rodenticide Act.

(d) ~~Regulations~~ Rules adopted under this subchapter as to applicators of restricted-use pesticides as designated under the Federal Insecticide, Fungicide, and Rodenticide Act shall not be inconsistent with the requirements of the Federal Insecticide, Fungicide, and Rodenticide Act and regulations promulgated under the Federal Insecticide, Fungicide, and Rodenticide Act.

SECTION 1986. Arkansas Code § 20-20-207(b)(1), concerning classification of commercial and noncommercial licenses issued by the State Plant Board, is amended to read as follows:

(b)(1) The board in promulgating ~~regulations~~ rules under this subchapter shall prescribe standards for the licensing of applicators of pesticides.

SECTION 1987. Arkansas Code § 20-20-209(b), concerning commercial applicator licenses, is amended to read as follows:

(b) The board shall not issue a commercial applicator's license until the individual named in subdivision (a)(1) of this section has qualified by passing an examination to demonstrate to the board his or her knowledge of how to apply pesticides under the classifications applied for and his or her knowledge of the nature and effect of pesticides he or she may apply under the classifications. The scope of the examination may be prescribed by ~~regulation~~ rule.

SECTION 1988. Arkansas Code § 20-20-209(c)(1)(D), concerning commercial applicator licenses, is amended to read as follows:

(D) The applicant has paid the license, test, and equipment fees prescribed by the board in its ~~regulations~~ rules.

SECTION 1989. Arkansas Code § 20-20-209(d)(4)(A), concerning commercial applicator licenses, is amended to read as follows:

(4)(A) Nothing in this subchapter shall be construed to relieve any person from liability for any damages to the person or lands of another caused by the use of pesticides even though the use conforms to the rules ~~and regulations~~ of the board.

SECTION 1990. Arkansas Code § 20-20-210(a)(3), concerning licenses for noncommercial applicators, is amended to read as follows:

(3) If the board finds the applicant qualified to apply pesticides in the classifications applied for and if the applicant has paid testing and license fees required by ~~regulation~~ rule, the board shall issue a noncommercial applicator's license limited to the activities and classifications applied for.

SECTION 1991. Arkansas Code § 20-20-211(b), concerning licenses for private applicators, is amended to read as follows:

(b) Certification Standards. Certification standards to determine the individual's competency with respect to the use and handling of the pesticide or types of pesticides the private applicator is to be certified to use shall be relative to hazards involved. In determining these standards, the board shall take into consideration the standards of the United States Environmental Protection Agency and is authorized to adopt these standards by ~~regulation~~ rule.

SECTION 1992. Arkansas Code § 20-20-212(b) and (c), concerning the requirement for aircraft pesticide applicators to be licensed pilots, are amended to read as follows:

(b) The issuance of the license shall be conditioned on his or her filing an application in the form prescribed by the board stating his or her name and address, his or her Federal Aviation Administration commercial or private pilot's certificate number, and his or her meeting any other conditions as may be set by the board in its ~~regulations~~ rules.

(c) The application shall be accompanied by a fee as set by the board in its ~~regulations~~ rules.

SECTION 1993. Arkansas Code § 20-20-213(b), concerning pesticide dealer licenses, is amended to read as follows:

(b) Application for a pesticide dealer's license shall be on a form prescribed by the board and be accompanied by a fee as set by the board in its ~~regulations~~ rules.

SECTION 1994. Arkansas Code § 20-20-216(b), concerning handling of pesticides and containers, is amended to read as follows:

(b) The State Plant Board may promulgate rules ~~and regulations~~ governing the storage and disposal of pesticides or pesticide containers. In determining these standards, the board shall take into consideration any regulations issued by the United States Environmental Protection Agency.

SECTION 1995. Arkansas Code § 20-20-217(b)-(d), concerning the inspection and licensing of equipment for the application of pesticides, are amended to read as follows:

(b) Requirements for equipment may be adopted by ~~regulation~~ rule.

(c) Equipment specified by ~~regulation~~ rule shall be identified by a decal or similar marking furnished by the board. The decal or marking shall be affixed in a location and manner upon the equipment as prescribed by the board.

(d) Fees for the decal or similar marking shall be prescribed by the board in its ~~regulations~~ rules.

SECTION 1996. Arkansas Code § 20-20-218(a), concerning reports of significant pesticide accidents or incidents, is amended to read as follows:

(a) The State Plant Board may by ~~regulation~~ rule require the reporting of significant pesticide accidents or incidents to a designated state agency.

SECTION 1997. Arkansas Code § 20-20-219(b)(1), concerning enforcement by the State Plant Board, is amended to read as follows:

(b)(1) With or without the aid and advice of the prosecuting attorney, the board is charged with the duty of enforcing the requirements of this subchapter and any rules ~~or regulations~~ issued pursuant to it.

SECTION 1998. Arkansas Code § 20-20-219(c), concerning enforcement by

the State Plant Board, is amended to read as follows:

(c) The board may apply to any court of competent jurisdiction for and the court upon hearing and for cause shown may grant a temporary or permanent injunction restraining any person from violating any provisions of this subchapter, or of the rules ~~and regulations~~ made under authority of this subchapter, the injunction to be without bond.

SECTION 1999. Arkansas Code § 20-20-224 is amended to read as follows:

20-20-224. Information and instruction.

In cooperation with the University of Arkansas or other educational institutions, the State Plant Board may publish information and conduct short courses of instruction in the areas of knowledge required by this subchapter or the ~~regulations~~ rules adopted pursuant to this subchapter.

SECTION 2000. Arkansas Code § 20-20-225 is amended to read as follows:

20-20-225. Disposition of funds.

All moneys received by the State Plant Board under the provisions of this subchapter and the ~~regulations~~ rules adopted pursuant to this subchapter shall be deposited into the State Plant Board Fund of the State Treasury and be used for carrying out the provisions of this subchapter.

SECTION 2001. Arkansas Code § 20-20-301 is amended to read as follows:

20-20-301. Approved chemicals — Safe reentry times.

(a) The Director of the Department of Health may establish by ~~regulation~~ rule a list of approved pesticides and other agricultural chemicals which are safe for the occupational exposure of children twelve (12) and thirteen (13) years of age employed in hand-harvesting short-season crops.

(b) The director also may establish by ~~regulation~~ rule safe reentry times for children twelve (12) and thirteen (13) years of age so employed.

SECTION 2002. Arkansas Code § 20-20-302(b), concerning assessment fees for inclusion on the Department of Health list, is amended to read as follows:

(b) The fee shall be established by ~~regulation~~ rule of the department and shall be deposited into the State Treasury to the Public Health Fund

Account.

SECTION 2003. Arkansas Code § 20-21-203(17), concerning the definition of "dental radiographic unit" under the laws regulating the sources of ionizing radiation, is amended to read as follows:

(17) “Dental radiographic unit” means any X-ray device that is subject to the requirements for intraoral dental radiographic systems set forth in the rules ~~and regulations~~ for control of sources of ionizing radiation promulgated by the State Board of Health;

SECTION 2004. Arkansas Code § 20-21-203(20), concerning the definition of "general license" under the laws regulating the sources of ionizing radiation, is amended to read as follows:

(20)(A) “General license” means a license effective pursuant to ~~regulations~~ rules promulgated by the agency without the filing of an application with the Department of Health or the issuance of licensing documents to particular persons to transfer, acquire, own, possess, or use quantities of radioactive material or devices or equipment utilizing radioactive material.

(B) “Specific license” means a license issued to a named person upon application filed pursuant to ~~regulations~~ rules promulgated under this subchapter to use, manufacture, produce, transfer, receive, acquire, own, or possess quantities of radioactive material or equipment utilizing radioactive material.

(C) “Academic broad license” means any radioactive material license issued to a college or university and subject to the special requirements for “specific licenses of broad scope” as set forth in the rules ~~and regulations~~ for control of sources of ionizing radiation promulgated by the State Board of Health.

(D) “Academic radioactive material license” means any radioactive material license issued to a college or university, excluding academic broad licenses;

SECTION 2005. Arkansas Code § 20-21-203(23), concerning the definition of "in vitro laboratory testing" under the laws regulating the sources of ionizing radiation, is amended to read as follows:

(23) “In vitro laboratory testing” means nonhuman use of radioactive material for laboratory testing in accordance with a general license authorized by the rules ~~and regulations~~ for control of sources of ionizing radiation promulgated by the State Board of Health;

SECTION 2006. Arkansas Code § 20-21-203(37), concerning the definition of "private practice" under the laws regulating the sources of ionizing radiation, is amended to read as follows:

(37) “Private practice” means any use of radioactive material subject to the requirements for licensing of individual physicians for human use of radioactive materials as set forth in the rules ~~and regulations~~ for control of sources of ionizing radiation promulgated by the State Board of Health, excluding those installations subject to the requirements for X-ray and electron therapy systems with energies of one megaelectronvolt (1 MeV) and above and for teletherapy as set forth in the same rules ~~and regulations~~;

SECTION 2007. Arkansas Code § 20-21-203(43), concerning the definition of "reciprocity" under the laws regulating the sources of ionizing radiation, is amended to read as follows:

(43) “Reciprocity” means the reciprocal recognition of licenses issued by the United States Nuclear Regulatory Commission or any agreement state other than Arkansas, subject to provisions for reciprocal recognition of licenses as set forth in the rules ~~and regulations~~ for control of sources of ionizing radiation promulgated by the State Board of Health;

SECTION 2008. Arkansas Code § 20-21-203(44), concerning the definition of "registration" under the laws regulating the sources of ionizing radiation, is amended to read as follows:

(44) “Registration” means registration with the Department of Health by any person possessing any source of ionizing radiation in accordance with rules~~, regulations,~~ and standards adopted by the Department of Health;

SECTION 2009. Arkansas Code § 20-21-203(49), concerning the definition of "veterinary medicine radiographic systems" under the laws regulating the sources of ionizing radiation, is amended to read as follows:

(49) "Veterinary medicine radiographic systems" means any X-ray device that is subject to the requirements for veterinary medicine radiographic installations set forth in the rules ~~and regulations~~ for control of sources of ionizing radiation promulgated by the State Board of Health;

SECTION 2010. Arkansas Code § 20-21-204(a), concerning penalties for violations under the laws regulating the sources of ionizing radiation, is amended to read as follows:

(a) Criminal Penalties. Any person who willfully violates any of the provisions of this subchapter or rules~~, regulations,~~ or orders in effect pursuant thereto shall be punished by a fine of not less than one hundred dollars ($100) nor more than two thousand dollars ($2,000) or by imprisonment for not more than six (6) months, or by both fine and imprisonment.

SECTION 2011. Arkansas Code § 20-21-204(b)(1)(A) and (B), concerning penalties for violations under the laws regulating the sources of ionizing radiation, are amended to read as follows:

(A) Violates any licensing or registration provision of this subchapter or any rule~~, regulation,~~ or order issued under this subchapter, or any term, condition, or limitation of any license or registration certificate issued thereunder; or

(B) Commits any violation for which a license or registration certificate may be revoked under rules ~~or regulations~~ issued pursuant to this subchapter.

SECTION 2012. Arkansas Code § 20-21-204(b)(4)(B), concerning penalties for violations under the laws regulating the sources of ionizing radiation, is amended to read as follows:

(B) Specifically identifying the particular provisions of the section, rule, ~~regulation,~~ order, license, or registration certificate involved in the violation; and

SECTION 2013. Arkansas Code § 20-21-204(b)(5)(B), concerning penalties for violations under the laws regulating the sources of ionizing radiation, is amended to read as follows:

(B) The person so notified shall be granted an opportunity

to show in writing, within such reasonable period as the agency shall by rule ~~or regulation~~ prescribe, why the penalty should not be imposed.

SECTION 2014. Arkansas Code § 20-21-205(a)(1), concerning enforcement by the State Radiation Control Agency, is amended to read as follows:

(a)(1) The State Radiation Control Agency or its authorized representative shall for reasonable cause have the power to enter at all reasonable times upon any private or public property for the purpose of determining whether or not there is compliance with or violation of this subchapter and rules ~~and regulations~~ issued under this subchapter.

SECTION 2015. Arkansas Code § 20-21-205(b), concerning enforcement by the State Radiation Control Agency, is amended to read as follows:

(b) In the event of an emergency, the agency shall have the authority to impound or order the impounding of sources of ionizing radiation which is in the possession of any person that is not equipped to observe or fails to observe the provisions of this subchapter or any rules ~~or regulations~~ issued under this subchapter.

SECTION 2016. Arkansas Code § 20-21-205(c), concerning enforcement by the State Radiation Control Agency, is amended to read as follows:

(c) Whenever in the judgment of the agency any person has engaged in or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this subchapter or any rule~~,~~ ~~regulation,~~ or order issued under this subchapter, the Attorney General, upon written notice thereof by the agency, shall make application to a court of competent jurisdiction for an order enjoining the acts or practices or for an order directing compliance, and upon a showing by the agency that the person has engaged or is about to engage in any such acts or practices, a permanent or temporary injunction, restraining order, or other order may be granted.

SECTION 2017. Arkansas Code § 20-21-209 is amended to read as follows:

20-21-209. State Radiation Control Agency — Recognition of other licenses.

Rules ~~and regulations~~ promulgated pursuant to this subchapter may provide for recognition of other state or federal licenses as the State

Radiation Control Agency may deem desirable, subject to such registration as the agency may prescribe.

SECTION 2018. Arkansas Code § 20-21-212 is amended to read as follows:

20-21-212. License or registration required.

It shall be unlawful for any person to use, manufacture, produce, distribute, sell, transport, transfer, install, repair, receive, acquire, own, or possess any source of ionizing radiation unless licensed by or registered with the State Radiation Control Agency in conformance with rules ~~and regulations~~ promulgated in accordance with this subchapter.

SECTION 2019. Arkansas Code § 20-21-213 is amended to read as follows:

20-21-213. Licensing and registration requirements generally.

(a) The State Radiation Control Agency shall provide by rule ~~or regulation~~ for general or specific licensing of accelerator-produced material, by-product material, source material, special nuclear material, or devices or equipment utilizing such material.

(b) The rule ~~or regulation~~ shall provide for amendment, suspension, or revocation of licenses.

(c) The rule ~~or regulation~~ shall provide that:

(1) Each application for a specific license shall be in writing and shall state such information as the agency by rule ~~or regulation~~ may determine to be necessary to decide the technical, insurance, and financial qualifications or any other qualifications of the applicant as the agency may deem reasonable and necessary to protect the occupational and public health and safety;

(2) The agency may at any time after the filing of the application and before the expiration of the license require further written statements and may make such inspections as the agency may deem necessary in order to determine whether the license should be granted or denied or whether the license should be modified, suspended, or revoked;

(3) All applications and statements shall be signed by the applicant or licensee;

(4) The agency may require any applications or statements to be made under oath or affirmation;

(5) Each license shall be in such form and contain such terms

and conditions as the agency may by rule ~~or regulation~~ prescribe;

(6) No license issued under this subchapter and no right to possess or utilize sources of ionizing radiation granted by any license shall be assigned or in any manner disposed of;

(7) The terms and conditions of all licenses shall be subject to amendment, revision, or modification by rules~~, regulations,~~ or orders issued in accordance with this subchapter;

(8) Licenses issued by the agency shall:

(A) Be nontransferable;

(B) Be renewed every five (5) to ten (10) years based on risk factors as determined by the agency; and

(C) Expire at a time specified by the agency; and

(9) Registrations issued shall:

(A) Be nontransferable;

(B) Be renewed at a time specified by the agency; and

(C) Expire one (1) year after issuance or at a time specified by the agency.

SECTION 2020. Arkansas Code § 20-21-215 is amended to read as follows:

20-21-215. Licensing and registration requirements — Recognition of other licenses.

Rules ~~and regulations~~ promulgated pursuant to this subchapter may provide for recognition of other state or federal licenses as the State Radiation Control Agency shall deem desirable, subject to such registration requirements as the agency may prescribe.

SECTION 2021. Arkansas Code § 20-21-216(b), concerning the licensing and registration requirements for radioactive materials, is amended to read as follows:

(b) The agency shall require by rule~~, regulation,~~ or order that, before the termination of any license which is issued after July 4, 1983, title to the land including any interests therein other than land held in trust by the United States for any Indian tribe or owned by an Indian tribe subject to a restriction against alienation imposed by the United States, or land already owned by the United States or by this state, which is used pursuant to the license for the disposal of radioactive material shall be

transferred to either the United States or to the state, unless the United States Nuclear Regulatory Commission or any successor thereto determines prior to the termination that transfer of title to the land and the material is not necessary or desirable to protect the public health, safety, or welfare, or to minimize danger to life or property.

SECTION 2022. Arkansas Code § 20-21-217(i), concerning licensing and registration requirements set by the State Radiation Control Agency, is amended to read as follows:

(i) Subject to the rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the department may transfer all unexpended funds relative to licensing and registration for use of radioactive materials and X-ray equipment that pertain to fees collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 2023. Arkansas Code § 20-21-218(a), concerning the records of the State Radiation Control Agency, is amended to read as follows:

(a)(1) The State Radiation Control Agency shall require each person who manufactures, possesses, distributes, sells, installs, repairs, or uses a source of ionizing radiation to maintain records relating to its receipt, storage, transfer, or disposal and such other records as the agency may require subject to such exemptions as may be provided by ~~rules and regulations~~ rule.

(2) The agency shall require each person who manufactures, possesses, distributes, sells, installs, repairs, or uses a source of ionizing radiation, or who furnishes personnel dosimetry services for agency licensees or registrants to maintain appropriate records showing the radiation exposure of all individuals for whom personnel monitoring is required by rules ~~and regulations~~ of the agency.

SECTION 2024. Arkansas Code § 20-21-219(a), concerning the storage of radioactive wastes, is amended to read as follows:

(a) The operation or administration of any sites acquired under this subchapter for the concentration and storage of radioactive wastes and by-

products shall be under the direct supervision of the State Radiation Control Agency and shall be in accordance with the ~~regulations~~ rules promulgated and enforced by that agency to protect the public health and safety.

SECTION 2025. Arkansas Code § 20-21-222(a)(1), concerning the administrative proceedings of the State Radiation Control Agency, is amended to read as follows:

(1) In any proceeding for the issuance or modification of rules ~~or regulations~~ relating to control of sources of ionizing radiation, the State Radiation Control Agency shall provide an opportunity for public participation through written comments or a public hearing, or both;

SECTION 2026. Arkansas Code § 20-21-222(b), concerning the administrative proceedings of the State Radiation Control Agency, is amended to read as follows:

(b)(1) Whenever the agency finds that an emergency exists requiring immediate action to protect the public health and safety, the agency may without notice or hearing issue a ~~regulation~~ rule or order reciting the existence of the emergency and requiring that the action be taken as is necessary to meet the emergency.

(2) Notwithstanding any provision of this subchapter, the ~~regulations~~ rule or order shall be effective immediately.

(3) Any person to whom the ~~regulation~~ rule or order is directed shall comply with the ~~regulation~~ rule or order immediately but, on application to the agency, shall be afforded a hearing within ten (10) days.

(4) On the basis of the hearing, the emergency ~~regulation~~ rule or order shall be continued, modified, or revoked within thirty (30) days after the hearing.

SECTION 2027. Arkansas Code § 20-21-304(a), concerning penalties for violations of the regulatory program for the control of radiation from electronic products, is amended to read as follows:

(a) Any person that willfully violates any of the provisions of this subchapter or rules~~, regulations,~~ or orders in effect pursuant to this subchapter of the State Radiation Control Agency shall upon conviction be punished by a fine of not less than one hundred dollars ($100) nor more than

two thousand dollars ($2,000) or by imprisonment for not more than six (6) months, or by both fine and imprisonment.

SECTION 2028. Arkansas Code § 20-21-305 is amended to read as follows:

20-21-305. Enforcement.

(a) The State Radiation Control Agency or its authorized representatives shall have the power to enter at all reasonable times upon any private or public property on or in which electronic products are being manufactured, distributed, used, or repaired for the purpose of determining whether or not there is compliance with or violation of this subchapter and rules ~~and regulations~~ issued under this subchapter. However, entry into areas under the jurisdiction of the United States Government shall be effected only with the concurrence of the United States Government or its designated representative.

(b) In the event of an emergency, the agency shall have the authority to impound or order the impounding of electronic products in the possession of any person who is not equipped to observe or fails to observe the provisions of this subchapter or any rules ~~or regulations~~ issued under this subchapter.

(c) Whenever in the judgment of the agency any person has engaged in or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this subchapter or any rule~~,~~ ~~regulation,~~ or order issued under this subchapter, then at the request of the agency, the Attorney General may make application to a court of competent jurisdiction for an order enjoining those acts or practices, or for an order directing compliance and, upon a showing by the agency that the person has engaged in or is about to engage in any such acts or practices, a permanent or temporary injunction, restraining order, or other order may be granted.

SECTION 2029. Arkansas Code § 20-21-306(d)(2), concerning the State Board of Health's designation as the State Electronic Product Control Agency, is amended to read as follows:

(2) Develop programs and formulate, adopt, promulgate, and repeal codes~~,~~ and rules~~, and regulations~~ with due regard for compatibility with federal programs for licensing and regulation of certain electronic products and radiation therefrom;

SECTION 2030. Arkansas Code § 20-21-306(d)(7)(C), concerning the State Board of Health's designation as the State Electronic Product Control Agency, is amended to read as follows:

(C) Maintenance of a file of all rules ~~and regulations~~ relating to regulation of radiation from electronic products, pending or promulgated, and proceedings thereon.

SECTION 2031. Arkansas Code § 20-21-307 is amended to read as follows:

20-21-307. License or registration required.

It shall be unlawful for any person to use, manufacture, distribute, install, repair, acquire, own, or possess an electronic product except in conformance with ~~regulations~~ rules for licensing or registration for that product, if any, promulgated in accordance with this subchapter.

SECTION 2032. Arkansas Code § 20-21-308(a)(1), concerning the regulation of licensing and registration by the State Electronic Product Control Agency, is amended to read as follows:

(1) Require registration or licensing for the manufacture, distribution, installation, repair, and use of electronic products or component parts of such products and for which ~~regulations~~ rules have been promulgated as specified in § 20-21-306(d)(2); and

SECTION 2033. Arkansas Code § 20-21-308(b), concerning the regulation of licensing and registration by the State Electronic Product Control Agency, is amended to read as follows:

(b) Rules ~~and regulations~~ promulgated pursuant to this subchapter may provide for recognition of other state or federal licenses as the agency may deem desirable, subject to such registration requirements as the agency may prescribe.

SECTION 2034. Arkansas Code § 20-21-309(a), concerning the records required by the State Electronic Product Control Agency, is amended to read as follows:

(a) Each person who manufactures, distributes, installs, repairs, or uses electronic products shall establish and maintain such records, make such

reports, and provide such information as the State Electronic Product Control Agency may by rule ~~or regulation~~ reasonably require to enable the agency to determine the compliance of the person with this subchapter.

SECTION 2035. Arkansas Code § 20-21-312(a)(1), concerning the administrative proceedings of the State Electronic Product Control Agency, is amended to read as follows:

(1) For the issuance or modification of rules ~~and regulations~~ relating to radiation from electronic products;

SECTION 2036. Arkansas Code § 20-21-312(a)(3), concerning the administrative proceedings of the State Electronic Product Control Agency, is amended to read as follows:

(3) For determining compliance with or granting exceptions from rules ~~and regulations~~ of the agency.

SECTION 2037. Arkansas Code § 20-21-312(b), concerning the administrative proceedings of the State Electronic Product Control Agency, is amended to read as follows:

(b)(1) Whenever the agency finds that an emergency exists requiring immediate action to protect the public health and safety, the agency, without notice or hearing, may issue a ~~regulation~~ rule or order reciting the existence of an emergency and requiring that such action be taken as is necessary to meet the emergency.

(2) Notwithstanding any provision of this subchapter, the ~~regulation~~ rule or order shall be effective immediately.

(3) Any person to whom the ~~regulation~~ rule or order is directed shall comply with the ~~regulation~~ rule or order immediately but, on application to the agency within ten (10) days, shall be afforded a hearing within thirty (30) days.

(4) On the basis of the hearing, the emergency ~~regulation~~ rule or order shall be continued, modified, or revoked within thirty (30) days after the hearing.

SECTION 2038. Arkansas Code § 20-21-502(a), concerning the Department of Health's administration of nuclear planning and response grants, is

amended to read as follows:

(a) The Department of Health shall serve as the administering and disbursing agency for a program of issuing grants to those local governments located in such close proximity to nuclear-powered electricity generating facilities in this state that federal ~~or state~~ regulations or state rules require those local governments to maintain nuclear disaster response procedures and precautions.

SECTION 2039. Arkansas Code § 20-21-503(a)(3)(E), concerning cooperative agreements for nuclear planning and response grants, is amended to read as follows:

(E) Any other information determined by the department to be necessary to ensure compliance with state rules or federal regulations and to ensure that all expenditures of grant funds are in direct support of radiological emergency planning or response.

SECTION 2040. Arkansas Code § 20-22-404 is amended to read as follows:

20-22-404. Rules ~~and regulations~~ adopted by Office of Long-Term Care.

The Office of Long-Term Care of the appropriate division as determined by the Director of the Department of Human Services may adopt appropriate rules ~~and regulations~~ to carry out the purpose and intent of this subchapter.

SECTION 2041. Arkansas Code § 20-22-503(b), concerning enforcement of fire, police, and safety regulations by employees of multiple-occupancy facilities, is amended to read as follows:

(b) It shall be the duty of the persons to enforce all fire, police, and safety ~~regulations~~ rules and to prevent entry to the premises by unauthorized persons or, if the unauthorized entry cannot be prevented, to report it to proper authorities.

SECTION 2042. Arkansas Code § 20-22-702(a), concerning exceptions for public displays of fireworks, is amended to read as follows:

(a) Nothing in this subchapter shall be construed as applying to the shipping, sale, possession, and use of fireworks for public displays by holders of a permit for a public display to be conducted in accordance with the rules ~~and regulations~~ promulgated by the Director of the Department of

Arkansas State Police. Such items of fireworks which are to be used for public display only and which are otherwise prohibited for sale and use within the state shall include display shells designed to be fired from mortars and display set pieces of fireworks classified by the regulations of the Surface Transportation Board as Class B special fireworks and shall not include such items of commercial fireworks as cherry bombs, tubular salutes, repeating bombs, aerial bombs, and torpedoes.

SECTION 2043. Arkansas Code § 20-22-804(a)(1), concerning the powers and duties of the Arkansas Fire Protection Services Board, is amended to read as follows:

(1) Prescribe by ~~regulation~~ rule minimum standards for the certification of fire departments and standards for the classification of fire departments as to their level of service, including, but not limited to, standards for training levels for firefighters of fire departments, minimum levels of equipment, and minimum performance standards;

SECTION 2044. Arkansas Code § 20-22-804(a)(9), concerning the powers and duties of the Arkansas Fire Protection Services Board, is amended to read as follows:

(9) Establish other reasonable rules ~~and regulations~~ as may be necessary for the purposes of this subchapter.

SECTION 2045. Arkansas Code § 20-22-1006(c), concerning the Arkansas Fire Protection Services Resources Plan, is amended to read as follows:

(c) The plan or any part thereof may be incorporated into ~~regulations~~ rules of the office, the Arkansas Department of Emergency Management, or executive orders which have the force and effect of law.

SECTION 2046. Arkansas Code § 20-23-101(3), concerning the definition of "internal" and "external" under the laws governing boiler safety, is amended to read as follows:

(3) “Internal” and “external” inspection means a thorough and proper inspection as provided for in the rules ~~and regulations~~ by the Boiler Inspection Division of the Department of Labor;

SECTION 2047. Arkansas Code § 20-23-101(4)(C)(iii), concerning the definition of "pressure piping" under the laws governing boiler safety, is amended to read as follows:

(iii) The first threaded joint in that type of connection and which extends up to and includes the valve or valves required by ~~regulation~~ rule;

SECTION 2048. Arkansas Code § 20-23-102(a)(5), concerning exceptions under the laws governing boiler safety, is amended to read as follows:

(5) Unfired pressure vessels, other than air tanks or vessels listed in subdivisions (a)(1)-(4) of this section, where the maximum allowable working pressure is fifteen pounds per square inch (15 psi) or less or a volume of five cubic feet (5 cu. ft.) or less, coil-type steam generators without accumulative drum, or vessels used in connection with or the storage of liquefied petroleum gases. However, all such unfired pressure vessels shall be constructed in compliance with the appropriate regulations, or rules applicable thereto;

SECTION 2049. Arkansas Code § 20-23-103(a), concerning enforcement under the laws governing boiler safety, is amended to read as follows:

(a) The criminal penalties provided by this chapter shall be enforced by the prosecuting attorney of each judicial district. The administrative penalties provided by this chapter shall be imposed pursuant to ~~regulation~~ rules of the Director of the Department of Labor.

SECTION 2050. Arkansas Code § 20-23-203(b), concerning the Chief Inspector of the Boiler Inspection Division's duty to inspect and enforce rules, is amended to read as follows:

(b) The chief inspector shall have free access at all reasonable times for himself or herself and his or her deputies to any premises in this state where a boiler or pressure piping is being built or where a boiler or pressure piping or power plant apparatus is being installed or operated, for the purpose of ascertaining whether the boiler or piping or apparatus is built, installed, and fitted with the necessary appliances and operated in accordance with this chapter and the ~~regulations~~ rules adopted pursuant to this chapter.

SECTION 2051. Arkansas Code § 20-23-301(a)(2), concerning certificates of inspection issued by the Director of the Department of Labor for boilers or pressure vessels, is amended to read as follows:

(2)(A) All boilers and pressure vessels installed or in operation in this state shall conform to those ~~regulations~~ rules and standards that shall from time to time be adopted by the Boiler Inspection Division with the approval of the director.

(B) The ~~regulations~~ rules and standards shall not exceed those set out in the several sections of the Boiler and Pressure Vessel Code of the American Society of Mechanical Engineers and shall have the force of law immediately upon their approval by the director.

SECTION 2052. Arkansas Code § 20-23-301(a)(4), concerning certificates of inspection issued by the Director of the Department of Labor for boilers or pressure vessels,, is amended to read as follows:

(4) All pressure piping installed in this state shall conform to those ~~regulations~~ rules and standards that shall from time to time be adopted by the division with the approval of the director. The ~~regulations~~ rules and standards shall not exceed those set out in the American Society of Mechanical Engineers Code for Pressure Piping, Power Piping Code, B31.1.

SECTION 2053. Arkansas Code § 20-23-302(a), concerning reports by a manufacturer, owner, or user of a boiler or unfired pressure vessel, is amended to read as follows:

(a) Every manufacturer, owner, or user of a boiler or unfired pressure vessel in use or to be used in any part of the state and subject to inspection by the Boiler Inspection Division, as provided by this chapter, shall report to the division the location of the boiler or unfired pressure vessel at such times and in such manner and form as may be determined by the rules ~~and regulations~~ of the division.

SECTION 2054. Arkansas Code § 20-23-309 is amended to read as follows:

20-23-309. New boilers and unfired pressure vessels — Penalty.

Every manufacturer, jobber, dealer, or individual selling or offering for sale or operating any boiler or unfired pressure vessel or installing any

pressure piping that does not meet the requirements of the rules ~~and regulations~~ adopted under this chapter shall be guilty of a felony and upon conviction shall be fined not less than one hundred dollars ($100) nor more than five thousand dollars ($5,000) and in addition may be imprisoned for not more than three (3) years, or both.

SECTION 2055. Arkansas Code § 20-23-310(a)(1), concerning suspension by the Chief Inspector of the Boiler Inspection Division of an operating certificate, is amended to read as follows:

(a)(1) The Chief Inspector of the Boiler Inspection Division or his or her authorized representatives may at any time suspend an inspection certificate when in their opinion the boiler or unfired pressure vessel for which it was issued cannot be operated without menace to the public safety or when the boiler or unfired pressure vessel is found not to comply with the rules ~~and regulations~~ provided in this subchapter.

SECTION 2056. Arkansas Code § 20-23-310(a)(3), concerning suspension by the Chief Inspector of the Boiler Inspection Division of an operating certificate, is amended to read as follows:

(3) The suspension of an operating certificate shall continue in effect until the boiler or pressure vessel shall have been made to conform to the rules ~~and regulations~~ of the Boiler Inspection Division and until the operating certificate shall have been reinstated.

SECTION 2057. Arkansas Code § 20-23-314(a), concerning pressure piping inspections, is amended to read as follows:

(a) The installation of pressure piping shall be periodically inspected during the course of the installation by an inspector commissioned pursuant to the provisions of § 20-23-401 in the manner and with the frequency prescribed by the rules ~~and regulations~~ of the Boiler Inspection Division.

SECTION 2058. Arkansas Code § 20-23-403(a), concerning boiler inspectors failing to perform duties, is amended to read as follows:

(a) Any inspector of boilers who shall report a boiler or pressure vessel for a certificate of inspection as safe to operate while knowing the

report is false and that the boiler is unsafe to operate, who shall fail to perform his or her duties as stated in this chapter, or who shall cause the repair, installation, or sale of a boiler or pressure vessel that does not comply with the standards as set out in this chapter and the ~~regulations~~ rules provided shall be guilty of a felony.

SECTION 2059. Arkansas Code § 20-23-405(d), concerning the license required to sell, install, or repair boilers, unfired pressure vessels, hot water storage containers, or pressure piping, is amended to read as follows:

(d) The license of any person, firm, or corporation may be revoked by the division upon proof that the person, firm, or corporation is not performing the work in compliance with this chapter and the ~~regulations~~ rules as provided in this chapter.

SECTION 2060. Arkansas Code § 20-23-406(b), concerning restricted lifetime licenses for boiler inspectors and certificates of competency and commission, is amended to read as follows:

(b) The department shall promulgate rules ~~and regulations~~ necessary to carry out the provisions of this section.

SECTION 2061. Arkansas Code § 20-23-407(a) and (b), concerning steam boiler or pressure vessel owner or user inspection programs, are amended to read as follows:

(a) Any owner or user of a steam boiler or pressure vessel subject to this chapter may perform any inspections required by this chapter on such vessels owned or operated by the owner or user if the owner or user meets the requirements prescribed by ~~regulation~~ rule of the Director of the Department of Labor.

(b) The director shall set out requirements for the certification of owner or user inspectors and certification of owner or user inspection programs by ~~regulation~~ rule and shall have full authority to promulgate and enforce those ~~regulations~~ rules.

SECTION 2062. Arkansas Code § 20-23-407(c)(1)(A), concerning steam boiler or pressure vessel owner or user inspection programs, is amended to read as follows:

(c)(1)(A) After notice and opportunity for hearing, any owner or user who is found to have violated ~~regulations~~ rules prescribed by the director pursuant to this subchapter shall be assessed a civil monetary penalty of not less than one hundred dollars ($100) or more than five thousand dollars ($5,000).

SECTION 2063. Arkansas Code § 20-24-101(12), concerning the definition of "new installation", "new elevator", "dumbwaiter", "escalator", or "new conveyance" under the elevator, dumbwaiter, and escalator laws, is amended to read as follows:

(12) "New installation", "new elevator", "dumbwaiter", "escalator", or "new conveyance" means a complete elevator, dumbwaiter, escalator, or other conveyance installation, the application for the permit for the installation or relocation of which is filed on or after the effective date of application of the rules ~~and regulations~~ adopted by the board as provided in § 20-24-106(a)-(c). All other elevators, dumbwaiters, escalators, or other conveyances shall be deemed to be existing installations; and

SECTION 2064. Arkansas Code § 20-24-104(a), concerning enforcement by the Department of Labor under the elevator, dumbwaiter, and escalator laws, is amended to read as follows:

(a) Except when otherwise provided, the Department of Labor shall have the power, and it shall be its duty, to enforce this chapter and the rules ~~and regulations~~ adopted by the Elevator Safety Board.

SECTION 2065. Arkansas Code § 20-24-106(b), concerning the powers and duties of the Elevator Safety Board, is amended to read as follows:

(b) The board shall have the power and it shall be its duty to consult with engineering authorities and organizations studying and developing standard safety codes, including that of the American National Safety Institute/American Society of Mechanical Engineers, and determine what rules ~~and regulations~~ governing the qualifications, training, and duties of elevator operators and the operation, maintenance, construction, alteration, and installation of elevators, dumbwaiters, and escalators and the inspection and tests of new and existing installations are adequate, reasonable, and

necessary to provide for the safety of life, limb, and property and to protect the public welfare.

SECTION 2066. Arkansas Code § 20-24-106(d), concerning the powers and duties of the Elevator Safety Board, is amended to read as follows:

(d) The board shall also have the power in any particular case to grant exceptions and variations which shall only be granted when it is clearly evident that they are necessary in order to prevent undue hardship or when the existing conditions prevent compliance with the literal requirements of the rules ~~and regulations~~. In no case shall any exception or variation be granted unless, in the opinion of the board, reasonable safety will be secured thereby.

SECTION 2067. Arkansas Code § 20-24-107(a)(1) and (2), concerning the adoption and amendment of rules by the Elevator Safety Board, are amended to read as follows:

(a)(1) A public hearing shall be held by the Elevator Safety Board prior to the adoption of any rules ~~or regulations~~ authorized by this chapter.

(2) Copies of such rules ~~and regulations~~ as are proposed by the board for adoption shall be made available to all interested parties at least thirty (30) days before the hearing.

SECTION 2068. Arkansas Code § 20-24-107(a)(4), concerning the adoption and amendment of rules by the Elevator Safety Board, is amended to read as follows:

(4) The rules ~~and regulations~~ adopted by the board shall be effective and shall be applicable on and after the effective date specified by the board but in no case less than three (3) months after the adoption by the board.

SECTION 2069. Arkansas Code § 20-24-107(b), concerning the adoption and amendment of rules by the Elevator Safety Board, is amended to read as follows:

(b) The rules ~~and regulations~~ adopted by the board shall be amended or repealed in the same manner in which they are adopted.

SECTION 2070. Arkansas Code § 20-24-107(c)(1) and (2), concerning the adoption and amendment of rules by the Elevator Safety Board, are amended to read as follows:

(c)(1) No amendment shall be made to the rules ~~and regulations~~ adopted by the board unless public hearings are held as provided in subsection (a) of this section.

(2)(A) Any person engaged in the inspection, alteration, construction, repair, or operation of elevators, dumbwaiters, or escalators, or any owner, insurer, or lessee thereof, may, from time to time, by written petition to the Director of the Department of Labor, request that any rules ~~and regulations~~ adopted by the board under subsection (a) of this section be amended, or the director shall refer the petition to the board for its consideration and recommendation.

(B) The board shall hold public hearings with respect to the subject matter of the petition and shall thereafter approve or disapprove the petition.

SECTION 2071. Arkansas Code § 20-24-108(a)(2)(A), concerning elevator inspector licenses required by the Elevator Safety Board, is amended to read as follows:

(A) Have experience in designing, installing, maintaining, or inspecting conveyances to the extent established by ~~regulation~~ rules of the board;

SECTION 2072. Arkansas Code § 20-24-108(b)(2)(A), concerning elevator inspector licenses required by the Elevator Safety Board, is amended to read as follows:

(A) Have three (3) years of verifiable work experience in constructing, maintaining, servicing, and repairing conveyances to the extent established by ~~regulation~~ rules of the board;

SECTION 2073. Arkansas Code § 20-24-109(c)(2), concerning application and examination for elevator inspector licenses required by the Elevator Safety Board, is amended to read as follows:

(2) Submission of proof that the licensee has satisfied the continuing education requirements established by rule ~~or regulation~~ of the

board.

SECTION 2074. Arkansas Code § 20-24-115(a)(1), concerning new construction, relocation, or alteration of an elevator, dumbwaiter, or escalator, is amended to read as follows:

(a)(1) On and after the effective date of rules ~~and regulations~~ adopted by the Elevator Safety Board under § 20-24-107(a) and (b), detailed plans and specifications of the elevator, dumbwaiter, or escalator to be thereafter installed, relocated, or altered shall be submitted by the contractor, or in the absence of an installing contractor, by a person or the owner, to the Department of Labor. An application for a construction or alteration permit on forms to be furnished or approved by the department shall be submitted at the same time.

SECTION 2075. Arkansas Code § 20-24-115(d), concerning new construction, relocation, or alteration of an elevator, dumbwaiter, or escalator, is amended to read as follows:

(d) A construction permit shall be issued by the department or its authorized representative to the installing contractor or, in his or her absence, the owner, for every new elevator, dumbwaiter, or escalator installation or alteration before the installation thereof is started. The department or its authorized representative shall issue the permit if the plans and specifications required under subsection (a) of this section indicate compliance with the applicable rules ~~and regulations~~ adopted by the board under § 20-24-107(a) and (b).

SECTION 2076. Arkansas Code § 20-24-116(c) and (d), concerning operating permits for elevators, dumbwaiters, or escalators, are amended to read as follows:

(c)(1) If the inspection report required by § 20-24-113 indicates failure of compliance with the applicable rules ~~and regulations~~ approved by the Elevator Safety Board under § 20-24-107 or with the detailed plans and specifications approved by the department or its authorized representative under § 20-24-115(d) and (e), the department or its authorized representative shall give notice to the owner or lessee or the person filing plans and specifications of changes necessary for compliance with the rules ~~and~~

~~regulations~~. After the changes have been made, the department or its authorized representative shall issue an operating permit.

(2) If the inspection report required by § 20-24-113 indicates that an elevator, dumbwaiter, or escalator is in an unsafe condition, so that its continued operation may be dangerous to the public safety, then the department or its authorized representative, at its discretion, may require the owner or lessee to discontinue the use thereof until it has been made safe and in conformity with the rules ~~and regulations~~ of the board.

(d) If the department or its authorized representative has reason to believe that any owner or lessee to whom an operating permit has been issued is not complying with the applicable rules ~~and regulations~~ adopted by the board under § 20-24-107, it shall so notify the owner or lessee and shall give notice of a date for a hearing hereon to the owner or lessee. If after a hearing the department finds that the owner or lessee is not complying with the rules ~~and regulations~~, it shall revoke the permit.

SECTION 2077. Arkansas Code § 20-24-116(e)(1), concerning operating permits for elevators, dumbwaiters, or escalators, is amended to read as follows:

(e)(1) Pursuant to ~~regulation~~ rules of the board, the department may issue a temporary certificate of operation for a period not to exceed ninety (90) days for new installations.

SECTION 2078. Arkansas Code § 20-25-102(6), concerning the definition of "installation" under the Arkansas Manufactured Homes Standards Act, is amended to read as follows:

(6) “Installation” means work done to stabilize, support, or anchor a manufactured home or to join sections of a multisection manufactured home when any such work is governed by ~~regulations~~ rules adopted by the commission;

SECTION 2079. Arkansas Code § 20-25-104(d)(1) and (2), concerning penalties under the Arkansas Manufactured Homes Standards Act, are amended to read as follows:

(d)(1) If a manufactured home retailer or manufacturer violates any of the provisions of this chapter or any rules ~~or regulations~~ governing the

manufactured home program, the retailer or manufacturer may be enjoined from selling any manufactured home until the retailer or manufacturer meets all the requirements of this chapter and rules ~~and regulations~~ promulgated pursuant to this chapter.

(2) If any manufactured home installer violates any provision of this chapter or any rule ~~or regulation~~ relating to the federal Manufactured Home Construction and Safety Standards, the installer shall be enjoined from installing manufactured homes until the violations are corrected.

SECTION 2080. Arkansas Code § 20-25-106(a), concerning the powers and duties of the Arkansas Manufactured Home Commission, is amended to read as follows:

(a)(1) The Arkansas Manufactured Home Commission by ~~regulation~~ rule shall set uniform, reasonable standards for the proper:

(A)(i) Initial installation of new manufactured homes installed in this state.

(ii) The installation standards under subdivision (a)(1)(A)(i) of this section shall equal or exceed installation standards promulgated under the federal standards; and

(B) Secondary installation of used manufactured homes installed in this state.

(2) The commission by ~~regulation~~ rule shall set the requirements for and require:

(A) Licensing and certification of manufacturers of manufactured homes or modular homes in this state and manufacturers of manufactured homes or modular homes in other states selling them in this state;

(B) Licensing and certification of any retailer, salesperson, and others engaged in the sale of manufactured homes or modular homes for sale in this state; and

(C) Licensing, training, and certification of any installer engaged in the installation of manufactured homes or modular homes in this state.

SECTION 2081. Arkansas Code § 20-25-106(c), concerning the powers and duties of the Arkansas Manufactured Home Commission, is amended to read as

follows:

(c)(1) The commission shall by ~~regulation~~ rule establish procedures for the investigation and timely resolution of:

(A) Construction or installation defects in manufactured homes that are reported to the commission during the one-year period beginning on the date of installation of the manufactured home, including:

(i) Violations of the federal standards; and

(ii) Violations of the rules governing the installation of manufactured homes promulgated by the commission; and

(B) Disputes among manufacturers, retailers, and installers of manufactured homes regarding responsibility for the correction or repair of construction or installation defects in manufactured homes that are reported to the commission during the one-year period beginning on the date of installation of the manufactured home.

(2) The commission shall by ~~regulation~~ rule establish procedures for the timely inspection and certification of a percentage of the initial installations of new manufactured homes installed in the state on a sample basis to assure compliance with installation standards adopted by the commission and to comply with requirements set forth by the United States Department of Housing and Urban Development.

(3) The investigations, required corrections, and remedial actions shall be handled in accordance with the code or the ~~regulations~~ rules promulgated under the code.

SECTION 2082. Arkansas Code § 20-25-106(d)(1), concerning the powers and duties of the Arkansas Manufactured Home Commission, is amended to read as follows:

(d)(1) The commission or subcommittee of the commission shall convene hearings and issue orders in cases of violations of this chapter or of the code or the ~~regulations~~ rules promulgated by the commission.

SECTION 2083. Arkansas Code § 20-25-106(e), concerning the powers and duties of the Arkansas Manufactured Home Commission, is amended to read as follows:

(e) The commission shall delegate its authority, except the authority to adopt standards~~,~~ and rules~~, and regulations~~ to the director.

SECTION 2084. Arkansas Code § 20-25-106(f)(4), concerning the powers and duties of the Arkansas Manufactured Home Commission, is amended to read as follows:

(4) Violating any provision of this chapter or rules ~~or regulations~~ promulgated under this chapter.

SECTION 2085. Arkansas Code § 20-25-106(m)(2), concerning the powers and duties of the Arkansas Manufactured Home Commission, is amended to read as follows:

(2) The commission shall have the authority to impose a monetary penalty not to exceed one thousand dollars ($1,000) per violation by an unlicensed manufacturer, retailer, or installer of any provision of this chapter or of the ~~regulations~~ rules promulgated under this chapter.

SECTION 2086. Arkansas Code § 20-25-106(n), concerning the powers and duties of the Arkansas Manufactured Home Commission, is amended to read as follows:

(n) The commission shall adopt ~~regulations~~ rules, issue orders, and otherwise act as necessary to:

(1) Comply with the National Manufactured Housing Construction and Safety Standards Act of 1974, 42 U.S.C. § 5401 et seq., including adopting and enforcing rules reasonably required to implement the notification and correction procedures provided by 42 U.S.C. § 5414; and

(2) Provide for the effective enforcement of all the Manufactured Home Construction and Safety Standards, 24 C.F.R. Part § 3280.1, in order to have the state plan authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974, 42 U.S.C. § 5401 et seq., approved by the United States Secretary of the Department of Housing and Urban Development.

SECTION 2087. Arkansas Code § 20-25-107(b), concerning the Director of the Arkansas Manufactured Home Commission, is amended to read as follows:

(b) The director shall administer the code for manufactured homes and the ~~regulations~~ rules promulgated by the commission.

SECTION 2088. Arkansas Code § 20-26-202 is amended to read as follows:

20-26-202. State Board of Health — Duties.

The State Board of Health shall make necessary rules ~~and regulations~~ relating to tourist camps, hotels, or rooming houses not in conflict with any provision of this subchapter in order that:

(1) The health and safety of guests may be protected; and

(2) Tourist camps, hotels, or rooming houses may be operated in a lawful manner.

SECTION 2089. Arkansas Code § 20-26-205 is amended to read as follows:

20-26-205. Enforcement.

The Department of Health and the Department of Arkansas State Police are required to assist in the enforcement of this subchapter and of any rules ~~and regulations~~ promulgated by the State Board of Health relating to tourist camps, hotels, and rooming houses.

SECTION 2090. Arkansas Code § 20-27-210 is amended to read as follows:

20-27-210. Regulation of sterilization by State Board of Health.

(a) It is made the duty of the State Board of Health to promulgate and publish rules ~~and regulations~~ prescribing the method of sterilization that may be used by those engaged in the manufacturing of mattresses and bedding or in the renovation thereof.

(b) All persons, firms, or corporations who shall conform to the ~~regulations~~ rules as promulgated by the board, as directed, shall be deemed as complying with the law.

SECTION 2091. Arkansas Code § 20-27-603 is amended to read as follows:

20-27-603. Political subdivision laws permitted.

This subchapter shall not prohibit any political subdivision from enacting and enforcing ordinances or laws for the prevention and control of lead poisoning which provide the same or more restrictive provisions as this subchapter or the rules ~~and regulations~~ promulgated pursuant to this subchapter.

SECTION 2092. Arkansas Code § 20-27-604 is amended to read as follows:

20-27-604. Injunction.

When in the judgment of the Department of Health any person has engaged in or is about to engage in any acts or practices of commission or omission which constitute or will constitute a violation of any provision of this subchapter or any rule~~, regulation,~~ or order issued under this subchapter, the Attorney General, upon written notice thereof by the department, shall make application to the court of competent jurisdiction for an order enjoining the acts or practices or for an order directing compliance. Upon a showing by the department that the person has engaged in or is about to engage in any such acts or practices, a permanent or temporary injunction, restraining order, or other order may be granted.

SECTION 2093. Arkansas Code § 20-27-605(c)(9), concerning the designation of the Department of Health as the Lead Poisoning Prevention and Control Agency, is amended to read as follows:

(9) Formulate, adopt, promulgate, amend, and repeal rules ~~and regulations~~ for the prevention and control of lead poisoning; and

SECTION 2094. Arkansas Code § 20-27-607(a), concerning notification of a lead hazard, is amended to read as follows:

(a) After completion of an inspection or investigation, the Director of the Department of Health or his or her designee shall notify the owner and tenant of his or her findings and, in the event any lead hazard was found, the notification shall contain instructions pertaining to abatement as prescribed by this subchapter and rules ~~and regulations~~ promulgated pursuant to this subchapter.

SECTION 2095. Arkansas Code § 20-27-1001 is amended to read as follows:

20-27-1001. Purpose.

The purpose of this subchapter is to protect the public health and safety and the environment and to qualify the Arkansas Department of Environmental Quality to adopt, administer, and enforce a program for licensing training providers involved with the training of regulated asbestos professionals, for licensing asbestos abatement consultants and asbestos abatement contractors, and for certifying air monitors, contractor-supervisors, inspectors, management planners, project designers, and workers

involved with demolitions, renovations, and asbestos-response actions in which regulated asbestos-containing materials are disturbed in accordance with this subchapter, the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq., and ~~regulations~~ rules issued pursuant thereto.

SECTION 2096. Arkansas Code § 20-27-1002(a), concerning penalties for violations of rules or orders of order of the Arkansas Pollution Control and Ecology Commission, is amended to read as follows:

(a) Any person who violates any provision of this subchapter or commits any unlawful act thereunder or who violates any ~~regulation~~ rule or order of the Arkansas Pollution Control and Ecology Commission shall be subject to the penalty provisions provided in § 8-4-103.

SECTION 2097. Arkansas Code § 20-27-1003(12)(B), concerning the definition of "facility" under the laws regarding removal of asbestos material, is amended to read as follows:

(B) For purposes of this definition, any building, structure, or installation that contains a loft used as a dwelling is not considered a residential structure, installation, or building. Any structure, installation, or building that was previously subject to this ~~regulation~~ rule is not excluded, regardless of its current use or function;

SECTION 2098. Arkansas Code § 20-27-1004(1), concerning the powers and duties of the Arkansas Department of Environmental Quality, is amended to read as follows:

(1) To require and regulate training and examinations for all disciplines certified by this subchapter and the ~~regulations~~ rules promulgated pursuant to this subchapter;

SECTION 2099. Arkansas Code § 20-27-1004(3) and (4), concerning the powers and duties of the Arkansas Department of Environmental Quality, are amended to read as follows:

(3) To enforce ~~regulations~~ rules necessary or appropriate to the implementation of this subchapter, including taking legal action in any court of competent jurisdiction;

(4) To issue licenses and certificates to all applicants who

satisfy the requirements of this subchapter and any ~~regulations~~ rules issued pursuant to this subchapter, to renew the licenses and certificates, and to suspend or revoke the licenses and certificates for cause and after notice and opportunity for hearing;

SECTION 2100. Arkansas Code § 20-27-1005 is amended to read as follows:

20-27-1005. Procedures.

The procedures of the Arkansas Department of Environmental Quality and the Arkansas Pollution Control and Ecology Commission for issuance of rules ~~and regulations~~, conduct of hearings, notice, power of subpoena, review of action on licenses, right of appeal, presumptions, finality of actions, and related matters shall be as provided in the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq., including, but not limited to, §§ 8-4-205, 8-4-210, 8-4-212 — 8-4-214, and 8-4-218 — 8-4-229.

SECTION 2101. Arkansas Code § 20-27-1007(2)-(4), concerning prohibitions under the laws addressing the removal of asbestos material, are amended to read as follows:

(2) To participate in any response action, demolition, or renovation contrary to the ~~regulations~~ rules or orders issued under this subchapter or contrary to the Arkansas Water and Air Pollution Control Act, § 8-4-101 et seq., and the Arkansas Solid Waste Management Act, § 8-6-201 et seq., and the ~~regulations~~ rules promulgated thereunder, whether or not such person is required to have a license or certificate pursuant to this subchapter;

(3) To knowingly make any false statement, representation, or certification in any application, record, report, or other document filed or required to be maintained under this subchapter or ~~regulations~~ rules adopted pursuant to this subchapter or to falsify, tamper with, or knowingly render inaccurate any monitoring device or method required to be maintained under this subchapter or any ~~regulations~~ rules adopted pursuant to this subchapter; or

(4) To violate any provision of this subchapter or any ~~regulation~~ rule or order adopted or issued under this subchapter.

SECTION 2102. Arkansas Code § 20-27-1009(b)(3), concerning grant eligibility and the distribution of grant funds by the Arkansas Department of Environmental Quality, is amended to read as follows:

(3) A proposed project design and work plan that complies with the ~~regulations~~ rules of the Arkansas Pollution Control and Ecology Commission; and

SECTION 2103. Arkansas Code § 20-27-1012 is amended to read as follows:

20-27-1012. ~~Regulations~~ Rules

The Arkansas Pollution Control and Ecology Commission shall promulgate ~~regulations~~ rules to implement this subchapter.

SECTION 2104. Arkansas Code § 20-27-1101 is amended to read as follows:

20-27-1101. Penalty.

Any person who knowingly violates any provision of this subchapter or any ~~regulation~~ rule or order adopted pursuant to this subchapter shall be guilty of a Class B misdemeanor.

SECTION 2105. Arkansas Code § 20-27-1102 is amended to read as follows:

20-27-1102. Rules ~~and regulations~~ — Enforcement — Administration.

(a) The Director of the Department of Labor shall promulgate ~~regulations~~ rules to establish minimum standards for the qualifications of those individuals performing blasting in Arkansas.

(b) The director shall implement, enforce, and administer this subchapter and the ~~regulations~~ rules adopted pursuant to this subchapter.

(c) ~~Regulations~~ Rules under this section shall be adopted pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

(d)(1) The director may establish by ~~regulation~~ rule fees for certifying individuals as qualified to perform blasting in Arkansas.

(2) The fees shall not exceed the sum of thirty dollars ($30.00) per applicant.

SECTION 2106. Arkansas Code § 20-27-1201(e), concerning sewage

disposal plans for mobile home and travel trailer parks, is amended to read as follows:

(e) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the department may transfer all unexpended funds received from the collection of plan review fees, as certified by the Chief Fiscal Officer of the State, which shall be carried forward and made available for expenditure for the same purpose for any following fiscal year.

SECTION 2107. Arkansas Code § 20-27-1303(e)(1), concerning blasting standards under the Arkansas Quarry and Open Pit Mine Blasting Control Act, is amended to read as follows:

(e)(1) The maximum limits for airblast and ground vibration as specified in subdivisions (b)(1) and (d)(1) of this section shall be construed as the threshold below which blasting damage is unlikely to occur. However, the director shall have the authority to promulgate ~~regulations~~ rules requiring more or less restrictive limits, as appropriate.

SECTION 2108. Arkansas Code § 20-27-1308(a)(1)-(3), concerning the powers and duties of the Director of the Department of Labor under the Arkansas Quarry and Open Pit Mine Blasting Control Act, are amended to read as follows:

(1) To promulgate rules ~~and regulations~~ for the administration and enforcement of this subchapter after public hearing and opportunity for public comment;

(2) To establish by rule ~~or regulation~~ standards for the performance of blasting operations at mines after public hearing and opportunity for public comment;

(3) To investigate as to any violation of this subchapter or any rule~~, regulation,~~ or order issued under this subchapter;

SECTION 2109. Arkansas Code § 20-27-1308(a)(6), concerning the powers and duties of the Director of the Department of Labor under the Arkansas Quarry and Open Pit Mine Blasting Control Act, is amended to read as follows:

(6) To issue cease and desist orders, as well as orders directing that affirmative measures be taken to comply with this subchapter

and any rule ~~or regulation~~ issued under this subchapter;

SECTION 2110. Arkansas Code § 20-27-1308(a)(10), concerning the powers and duties of the Director of the Department of Labor under the Arkansas Quarry and Open Pit Mine Blasting Control Act, is amended to read as follows:

(10) To issue a variance from any specific requirement of this subchapter or any rule ~~or regulation~~ issued under this subchapter, provided that literal compliance would constitute an undue hardship and that reasonable safety of persons and property is secured;

SECTION 2111. Arkansas Code § 20-27-1308(a)(13), concerning the powers and duties of the Director of the Department of Labor under the Arkansas Quarry and Open Pit Mine Blasting Control Act, is amended to read as follows:

(13) To enforce generally this subchapter and the rules~~,~~ ~~regulations,~~ and orders issued under this subchapter.

SECTION 2112. Arkansas Code § 20-27-1310(a), concerning the cooperation between the Department of Labor and the State Fire Marshal under the Arkansas Quarry and Open Pit Mine Blasting Control Act, is amended to read as follows:

(a) The Director of the Department of Labor shall consult the State Fire Marshal regarding the adoption of any rules ~~or regulations~~.

SECTION 2113. Arkansas Code § 20-27-1311(a), concerning existing rules, orders, and remedies under the Arkansas Quarry and Open Pit Mine Blasting Control Act, is amended to read as follows:

(a) All existing rules ~~and regulations~~ of any other state agency relating to subjects embraced within this subchapter shall remain in full force and effect unless expressly repealed, amended, or superseded by the state agency affected.

SECTION 2114. Arkansas Code § 20-27-1312(a), concerning criminal penalties under the Arkansas Quarry and Open Pit Mine Blasting Control Act, is amended to read as follows:

(a) Except as provided in subsection (b) of this section, any person who violates any provision of this subchapter or who violates any rule~~,~~

~~regulation,~~ or order issued under this subchapter shall be guilty of a Class A misdemeanor.

SECTION 2115. Arkansas Code § 20-27-1312(b)(1)(A) and (B), concerning criminal penalties under the Arkansas Quarry and Open Pit Mine Blasting Control Act, are amended to read as follows:

(A) Violate any provision of this subchapter or any rule~~,~~ ~~regulation,~~ or order issued under this subchapter and leave the state or remove his or her person from the jurisdiction of this state;

(B) Purposely, knowingly, or recklessly conduct blasting in a manner prohibited by this subchapter or any rule~~, regulation,~~ or order issued under this subchapter and thereby create a substantial likelihood of adversely affecting the health, safety, welfare, or property of any person, including the state or any political subdivision of the state; or

SECTION 2116. Arkansas Code § 20-27-1313(a)(1), concerning civil penalties under the Arkansas Quarry and Open Pit Mine Blasting Control Act, is amended to read as follows:

(a)(1) Any person who violates any provision of this subchapter or who violates any rule~~, regulation,~~ or order issued under this subchapter may be assessed an administrative civil penalty by the Director of the Department of Labor in an amount not to exceed ten thousand dollars ($10,000) per violation.

SECTION 2117. Arkansas Code § 20-27-1314(1)(A), concerning restraint of actions under the Arkansas Quarry and Open Pit Mine Blasting Control Act, is amended to read as follows:

(1)(A) Enjoin or restrain any violation of or compel compliance with this subchapter and any rules~~, regulations,~~ or orders issued under this subchapter.

SECTION 2118. Arkansas Code § 20-27-1315 is amended to read as follows:

20-27-1315. Private right of action.

Any person adversely affected by a violation of this subchapter or any rules~~, regulations,~~ or orders issued pursuant to this subchapter shall have a

private right of action for relief against the violator.

SECTION 2119. Arkansas Code § 20-27-1316 is amended to read as follows:

20-27-1316. Joint and several liability.

The owner or operator of any quarry or open pit mine where a blast is conducted and any contractor conducting the blast shall be jointly and severally liable for violations of this subchapter and any rules ~~or regulations~~ issued under this subchapter.

SECTION 2120. Arkansas Code § 20-27-1317 is amended to read as follows:

20-27-1317. Injunctive relief.

In addition to all other remedies provided by this subchapter, the Attorney General and the prosecuting attorney of a county may apply to the circuit court or the judge in vacation of the county where the quarry or open pit mine is located for an injunction to restrain, prevent, or abate a public nuisance related to the subjects embraced by this subchapter or any violation of this subchapter or the rules~~, regulations,~~ or orders issued under this subchapter.

SECTION 2121. Arkansas Code § 20-27-1807(a), concerning the promulgation and enforcement authority of the State Board of Health, is amended to read as follows:

(a) The State Board of Health may adopt reasonable rules ~~and regulations~~ that it determines are necessary or useful to carry out the purposes or facilitate enforcement of this subchapter.

SECTION 2122. Arkansas Code § 20-27-1807(b)(1), concerning the promulgation and enforcement authority of the State Board of Health, is amended to read as follows:

(b)(1) The Department of Health and its authorized agents may enforce compliance with this subchapter and any rules ~~and regulations~~ adopted and promulgated under this subchapter by the board.

SECTION 2123. Arkansas Code § 20-27-1902 is amended to read as

follows:

20-27-1902. Definition.

As used in this subchapter, "motor vehicle" means any motor vehicle, except a school bus, a church bus, or other public conveyance, that is required by federal or state law, rule, or regulation to be equipped with a passenger restraint system.

SECTION 2124. Arkansas Code § 20-27-2104(d)(3)(B), concerning the test method and performance standard under the Arkansas Cigarette Fire Safety Standard Act, is amended to read as follows:

(B) Finds that the officials responsible for implementing those requirements have approved the proposed alternative test method and performance standard for a particular cigarette proposed by a manufacturer as meeting the fire safety standards of that state's law or ~~regulation~~ rules under a legal provision comparable to this section.

SECTION 2125. Arkansas Code § 20-27-2702(h)(4), concerning bedding labels, is amended to read as follows:

(4) Description of filling material as provided in the applicable ~~regulations~~ rules shall be included on the label;

SECTION 2126. Arkansas Code § 20-29-105(d), concerning complaints filed with the Arkansas Manufactured Home Commission, is amended to read as follows:

(d)(1) The commission shall by ~~regulation~~ rule establish procedures for the investigation and timely resolution of claims against the Manufactured Housing Recovery Fund involving participating manufacturers, retailers, and installers of manufactured homes regarding responsibility for the correction or repair of construction or installation defects in manufactured homes that are reported during the one-year period beginning on the date of installation of the home.

(2) The investigations, required corrections, and remedial actions shall be handled in accordance with the code and ~~regulations~~ rules promulgated pursuant to the code.

(3) The commission shall by ~~regulation~~ rule establish requirements for eligibility of claims against the fund.

SECTION 2127. Arkansas Code § 20-29-112 is amended to read as follows:

20-29-112. ~~Regulations~~ Rules.

The Arkansas Manufactured Home Commission may establish ~~regulations~~ rules for implementation of this chapter.

SECTION 2128. Arkansas Code § 20-30-102(a), concerning penalties for violations of public swimming pool rules, is amended to read as follows:

(a) Any person operating a public swimming pool in violation of this chapter or rules ~~and regulations~~ adopted pursuant to this chapter shall be guilty of a violation.

SECTION 2129. Arkansas Code § 20-30-103(3) and (4), concerning the authority of the Department of Health over public swimming pools, are amended to read as follows:

(3) To prescribe such rules ~~and regulations~~ governing the alteration, construction, sanitation, safety, and operation of public swimming pools as may be necessary to protect the health and safety of the public and to require every public swimming pool to comply with these rules ~~and regulations~~;

(4) To inspect every public swimming pool in operation in the state to determine compliance with this chapter and rules ~~and regulations~~;

SECTION 2130. Arkansas Code § 20-30-103(6), concerning the authority of the Department of Health over public swimming pools, is amended to read as follows:

(6) To notify the owner, proprietor, or agent in charge of any public swimming pool of such changes or alterations as may be necessary to effect complete compliance with this chapter and rules ~~and regulations~~ governing the construction, alteration, and operation of the facilities and to close the facilities for failure to comply within specified times as provided in this chapter and rules ~~and regulations~~; and

SECTION 2131. Arkansas Code § 20-30-104(c)(2), concerning permits issued by the Department of Health for public swimming pools, is amended to read as follows:

(2) Before approval of the application for a permit, the department shall inspect the proposed facility to determine compliance with requirements of this chapter and rules ~~and regulations~~. The department shall issue a permit to the applicant if the inspection reveals that the facility is in compliance with the requirements of this chapter and rules ~~and regulations~~.

SECTION 2132. Arkansas Code § 20-30-107(b), concerning the disposition of funds collected by the Department of Health relative to public swimming pools, is amended to read as follows:

(b) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Health may transfer all unexpended funds relative to swimming pools that pertain to fees collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 2133. Arkansas Code § 20-31-104(a), concerning establishment by the Board of Electrical Examiners of the State of Arkansas of statewide standards for the construction, installation, and maintenance of electrical facilities, is amended to read as follows:

(a) Beginning January 1, 1992, the Board of Electrical Examiners of the State of Arkansas is empowered to adopt rules ~~and regulations~~ to establish statewide standards for the construction, installation, and maintenance of electrical facilities and the performance of electrical work.

SECTION 2134. Arkansas Code § 20-32-104(b), concerning the disposition of fees and fines relative to the disposal of commercial medical waste, is amended to read as follows:

(b) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Health may transfer all unexpended funds relative to the regulation of commercial medical waste that pertain to fees and fines collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 2135. Arkansas Code § 20-32-105(a)(1), concerning the authorization to stop vehicles suspected of transporting commercial medical waste, is amended to read as follows:

(a)(1) The Department of Arkansas State Police and the enforcement officers of the Arkansas Highway Police Division of the Arkansas Department of Transportation may stop vehicles suspected of transporting commercial medical waste to assure that all required permits for transporting the commercial medical waste have been obtained and to enforce all laws and ~~regulations~~ rules relating to the transportation of commercial medical waste.

SECTION 2136. Arkansas Code § 20-32-105(b), concerning the authorization to stop vehicles suspected of transporting commercial medical waste, is amended to read as follows:

(b) The enforcement officers of the division may conduct vehicle safety inspections of those vehicles transporting or intended to be utilized to transport commercial medical waste, to inquire into the history of any safety or equipment ~~regulation~~ rule violations of the transporter in any state, and to advise the Department of Health of the results of such inspections and inquiries.

SECTION 2137. Arkansas Code § 20-32-106(b) and (c), concerning the regulation of the segregation, packaging, storage, transportation, treatment, and disposal of commercial medical waste from healthcare-related facilities, are amended to read as follows:

(b) These ~~regulations~~ rules shall include:

(1) Criteria for issuing operational licenses to treaters or disposers, and transporters of commercial medical waste;

(2) Criteria for issuing permits and permit modifications to facilities;

(3) Developing a system for record keeping by any person generating, transporting, receiving, treating, or disposing of commercial medical waste;

(4) Acceptable methods of treatment and disposal of commercial medical waste;

(5) Requirements for the segregation, packaging, and storage of

commercial medical waste;

(6) Criteria for the development of an operating plan for the handling and disposal of commercial medical waste; and

(7) Requirements for the inspection of any facility generating, storing, incinerating, or disposing of commercial medical waste.

(c) All rules ~~and regulations~~ promulgated pursuant to this chapter shall be reviewed by the House Committee on Public Health, Welfare, and Labor and the Senate Committee on Public Health, Welfare, and Labor or appropriate subcommittees thereof.

SECTION 2138. Arkansas Code § 20-32-107(e)(1), concerning the license to transport, treat, or dispose of commercial medical waste, is amended to read as follows:

(e)(1) If the treater or disposer, or transporter has a history of noncompliance with any law, rule, or regulation of this state or any other jurisdiction, particularly those laws, rules, or regulations pertaining to the environment and the protection of the health and safety of the public, the department may refuse to issue an operating license.

SECTION 2139. Arkansas Code § 20-32-112(a), concerning violations of the rules regarding disposal of commercial medical waste, is amended to read as follows:

(a) Any person or carrier, or any officer, employee, agent, or representative thereof, while operating any vehicle transporting medical waste or which is authorized to transport medical waste, who shall violate any of the ~~regulations~~ rules, including safety ~~regulations~~ rules, prescribed or hereafter prescribed by the State Highway Commission pursuant to § 23-1-101 et seq. or who shall violate any ~~regulation~~ rule of the Department of Health that specifically relates to the transportation of medical waste shall be guilty of a violation.

SECTION 2140. Arkansas Code § 20-46-302(a), concerning the power to regulate funding by the Arkansas State Hospital through the Department of Human Services, is amended to read as follows:

(a) The Arkansas State Hospital shall have the power to establish guidelines~~,~~ and rules~~, and regulations~~ in the administration of this section.

SECTION 2141. Arkansas Code § 20-46-302(c)(2), concerning the power to regulate funding by the Arkansas State Hospital through the Department of Human Services, is amended to read as follows:

(2) The restrictions of the Arkansas Procurement Law, § 19-11-201 et seq.; the General Accounting and Budgetary Procedures Law, § 19-4-101 et seq.; the Revenue Stabilization Law, § 19-5-101 et seq.; and other fiscal control laws of the state, where applicable, and ~~regulations~~ rules promulgated by the Department of Finance and Administration, as authorized by law, shall be strictly complied with in disbursement of the funds.

SECTION 2142. Arkansas Code § 20-46-504 is amended to read as follows:

20-46-504. Rules ~~and regulations~~.

(a) The Division of Aging, Adult, and Behavioral Health Services of the Department of Human Services shall adopt, promulgate, and enforce the rules~~, regulations,~~ and standards that may be necessary for the accomplishment of this subchapter.

(b) The rules~~, regulations,~~ and standards shall be modified, amended, or rescinded from time to time by the division as may be in the public interest.

SECTION 2143. Arkansas Code § 20-46-703(a)(4), concerning surveys of providers of indigent assistance, is amended to read as follows:

(4) Conduct follow-up surveys on an accelerated schedule only upon a finding that a program provider is not in substantial compliance with applicable laws and ~~regulations~~ rules; and

SECTION 2144. Arkansas Code § 20-47-303(b)(2), concerning multihour daily service rate reimbursement for residential care facilities, is amended to read as follows:

(2) The department shall maintain Medicaid provider ~~regulations~~ rules appropriate for the delivery of personal care services in congregate settings and the related multihour daily service rate reimbursement methodology.

SECTION 2145. Arkansas Code § 20-47-303(c), concerning multihour daily

service rate reimbursement for residential care facilities, is amended to read as follows:

(c) The department shall provide copies to the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council, providers, and the public of all state plan amendments, documentation, and correspondence submitted to or received from the Centers for Medicare and Medicaid Services in regard to this section and shall work jointly with provider representatives in obtaining and maintaining approval for a multihour daily service rate for personal care services delivered in congregate settings from the Centers for Medicare and Medicaid Services.

SECTION 2146. Arkansas Code § 20-47-406(c), concerning the Department of Human Services agreements for medical care of the indigent mentally ill or tubercular, is amended to read as follows:

(c) In order to reimburse the fund for expenditures made by the department in accordance with agreements made with the Arkansas State Hospital and other institutions, the Chief Fiscal Officer of the State shall make rules ~~and regulations~~ for transfers from the respective State Treasury funds or accounts from which the institutions making agreements derive their financial support to the fund in keeping with the provisions of the agreement made between the Arkansas State Hospital or other state institutions and the department.

SECTION 2147. Arkansas Code § 20-47-705(3), concerning behavioral healthcare initiatives, is amended to read as follows:

(3) Revise Medicaid rules ~~and regulations~~ to increase quality, accountability, and appropriateness of Medicaid-reimbursed behavioral healthcare services, including, but not limited to:

(A) Clarifying behavioral healthcare services definitions to assure that the definitions are appropriate to the needs of children, youth, and their families;

(B) Revising the process for Medicaid to receive, review, and act upon requests for behavioral health care for children and youth classified as seriously emotionally disturbed;

(C) Clarifying Medicaid certification rules for providers serving children, youth, and their families to assure that the certification

rules correlate with the requirements for enrollment as a Medicaid provider of behavioral healthcare services;

(D)(i) Defining a standardized screening and assessment process designed to provide early identification of conditions that require behavioral healthcare services.

(ii) The standardized process shall ensure that:

(a) Assessments guide service decisions, outcomes, and, if appropriate, development of a multiagency plan of services; and

(b) Services delivered are appropriate to meet the needs of the child as identified by the assessment;

SECTION 2148. Arkansas Code § 20-48-104(b) and (c), concerning intermediate care facilities for the mentally disabled, are amended to read as follows:

(b) The committee shall provide oversight for the operation of the program and make recommendations, within the appropriate federal regulations and guidelines, to the Division of Developmental Disabilities Services and the Office of Long-Term Care to establish and clarify the mission, goals, levels of services, and scope of the program and to provide consistency in state ~~regulations~~ rules, guidelines, standards, and policies.

(c) The committee shall also make recommendations for adequate funding to ensure the fiscal integrity of the program to allow it to be operated pursuant to the state rules and federal regulations, guidelines, standards, and policies.

SECTION 2149. Arkansas Code § 20-48-205(b) and (c), concerning the powers and duties of the Board of Developmental Disabilities Services, are amended to read as follows:

(b) The board may make such ~~regulations~~ rules respecting the care, custody, training, and discipline of individuals with intellectual disabilities in the centers or receiving services for individuals with intellectual disabilities and respecting the management of the centers and their affairs as it may deem necessary or desirable to the proper performance of its powers and purposes.

(c) The board is prohibited from promulgating any rule ~~or regulation~~

that would set the salary of any employee at the local level unless specifically required to do so by the federal government.

SECTION 2150. Arkansas Code § 20-48-207(b), concerning contracts for provision of services for the Board of Developmental Disabilities Services, is amended to read as follows:

(b) In this regard, the board is authorized to promulgate ~~regulations~~ rules and fix standards necessary to properly ensure that such intellectual disabilities services are furnished in a proper and reasonable manner and on an economical basis.

SECTION 2151. Arkansas Code § 20-48-208(a), concerning the license for facilities and institutions required by the Board of Developmental Disabilities Services, is amended to read as follows:

(a) The Board of Developmental Disabilities Services shall regulate the providing of intellectual disabilities services by private organizations and public agencies. The board shall promulgate ~~regulations~~ rules covering the issuance, suspension, and revocation of licenses and fixing the standards for construction, reconstruction, maintenance, and operation of institutions and facilities, or parts thereof, operated primarily for the providing of developmental disabilities services, unless the facilities or institutions in their entirety are licensed by the Office of Long-Term Care.

SECTION 2152. Arkansas Code § 20-48-209(c), concerning the planning and implementation for programs by the Board of Developmental Disabilities Services, is amended to read as follows:

(c) Effective planning and coordination is essential to the public interest. In order to achieve this to the fullest extent possible, the Board of Developmental Disabilities Services is authorized to establish and promulgate ~~regulations~~ rules fixing standards for intellectual disabilities programs and activities and to evaluate intellectual disabilities programs and activities of public agencies.

SECTION 2153. Arkansas Code § 20-48-211(b) and (c), concerning the Board of Developmental Disabilities Services community centers, are amended to read as follows:

(b) Within the limits of available funds, a program for furnishing intellectual disabilities services shall be developed for each community center which may include a state grants-in-aid program. In this regard, the board is authorized to promulgate ~~regulations~~ rules covering the establishment and operation of community centers, the formulation and implementation of intellectual disabilities programs and activities for community centers, and the funding of the programs and activities.

(c) The board is prohibited from promulgating any rule ~~or regulation~~ that would set the salary of any employee of a community-based program unless specifically required to do so by the United States Government.

SECTION 2154. Arkansas Code § 20-48-413(b), concerning facilities for emotionally disturbed individuals, is amended to read as follows:

(b) The board is authorized to make such rules ~~and regulations~~ regarding eligibility for admission to the facility, care and treatment of the individuals, discharge from and return to the facility, charges for the maintenance, care, and training of individuals admitted to the facility, and such other matters as the board shall deem necessary to carry out the most effective program for the care and treatment of emotionally disturbed intellectually disabled individuals of this state.

SECTION 2155. Arkansas Code § 20-48-415(i), concerning the powers and duties of the Board of Developmental Disabilities Services, is amended to read as follows:

(i) The board may make such rules ~~and regulations~~ respecting the care, custody, training, and discipline of individuals admitted to the centers and the management thereof and of its affairs as it may deem for the best interest of the centers and the State of Arkansas.

SECTION 2156. Arkansas Code § 20-48-605(c), concerning the inspection and licensure of the operation of family homes, is amended to read as follows:

(c) The division shall not issue or renew and may revoke the license of a family home not operating in compliance with this section and ~~regulations~~ rules adopted hereunder.

SECTION 2157. The introductory language of Arkansas Code § 20-48-606(a), concerning density control for family homes, is amended to read as follows:

(a) The Division of Developmental Disabilities Services shall promulgate ~~regulations~~ rules pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq., which shall encompass the following matters:

SECTION 2158. Arkansas Code § 20-48-606(a)(3), concerning density control for family homes, is amended to read as follows:

(3) Protection of the health and safety of the residents of Family Homes I and Family Homes II, however, compliance with these ~~regulations~~ rules shall not relieve the owner or operator of any Family Home I or Family Homes II of the obligation to comply with the requirements or standards of a political subdivision pertaining to setback, lot size, flood zones, outside appearance, building, housing, health, fire, safety, and motor vehicle parking space that generally apply to single-family residences in the zoning district for Family Home I or multi-family use districts for Family Home II. No requirements for business licenses, gross receipt taxes, environmental impact studies, or clearances may be imposed on the homes if those fees, taxes, or clearances are not imposed on all structures in the zoning district housing a like number of persons; and

SECTION 2159. Arkansas Code § 20-48-606(b), concerning density control for family homes, is amended to read as follows:

(b) The division shall furnish a copy of proposed ~~regulations~~ rules promulgated hereunder to the Arkansas Municipal League, Association of Arkansas Counties, and the Capitol Zoning District Commission at least thirty (30) days prior to the public hearing to be held thereon.

SECTION 2160. Arkansas Code § 20-48-607(c)(2), concerning application for a license to operate a family home, is amended to read as follows:

(2) The sign shall contain such statements as required by ~~regulations~~ rules promulgated pursuant to this subchapter.

SECTION 2161. Arkansas Code § 20-56-209(5)(B), concerning misbranded food, is amended to read as follows:

(B) An accurate statement of the quantity of the contents in terms of weight, measure, or numerical count, provided that reasonable variations shall be permitted, and exemptions as to small packages shall be established by ~~regulations~~ rules prescribed by the State Board of Health;

SECTION 2162. Arkansas Code § 20-56-209(7), concerning misbranded food, is amended to read as follows:

(7) If it purports to be or is represented as a food for which a definition and standard of identity has been prescribed by rules or regulations as provided by § 20-56-219 or by the Federal Food, Drug, and Cosmetic Act, unless:

(A) It conforms to the definition and standard; and

(B) Its label bears the name of the food specified in the definition and standard, and, insofar as may be required by rules or regulations, the common names of optional ingredients other than spices, flavoring, and coloring present in the food;

SECTION 2163. Arkansas Code § 20-56-209(8), concerning misbranded food, is amended to read as follows:

(8) If it purports to be or is represented as:

(A) A food for which a standard of quality has been prescribed by rules or regulations as provided in § 20-56-219 or by the Federal Food, Drug, and Cosmetic Act and its quality falls below the standard, unless its label bears, in such manner and form as the rules or regulations specify, a statement that it falls below the standard; or

(B) A food for which a standard of fill of container has been prescribed by rules or regulations as provided by § 20-56-219, and it falls below the standard of fill of container applicable thereto unless its label bears, in such manner and form as the rules or regulations specify, a statement that it falls below the standard;

SECTION 2164. Arkansas Code § 20-56-209(9)(C), concerning misbranded food, is amended to read as follows:

(C) However, to the extent that compliance with the

requirements of subdivision (9)(B) of this section is impractical or results in deception or unfair competition, exemptions shall be established by ~~regulations~~ rules promulgated by the board;

SECTION 2165. Arkansas Code § 20-56-209(10) and (11), concerning misbranded food, are amended to read as follows:

(10) If it purports to be or is represented for special dietary uses unless its label bears such information concerning its vitamin, mineral, and other dietary properties as the board determines to be, and by ~~regulations~~ rules prescribed as necessary in order to fully inform purchasers as to its value for such uses;

(11) If it bears or contains any artificial flavoring, artificial coloring, or chemical preservative unless it bears labeling stating that fact, provided that to the extent that compliance with the requirements of this subdivision (11) is impracticable, exemptions shall be established by ~~regulations~~ rules promulgated by the board; and

SECTION 2166. Arkansas Code § 20-56-211(2)(B), concerning a misbranded drug or device, is amended to read as follows:

(B) An accurate statement of the quantity of the contents in terms of weight, measure, or numerical count. Reasonable variations shall be permitted, and exemptions as to small packages shall be established, by ~~regulations~~ rules prescribed by the State Board of Health;

SECTION 2167. Arkansas Code § 20-56-211(5)(B), concerning a misbranded drug or device, is amended to read as follows:

(B) In case it is fabricated from two (2) or more ingredients, the common or usual name of each active ingredient, including the kind and quantity or proportion of any alcohol, and also including, whether active or not, the name and quantity or proportion of any bromides, ether, chloroform, acetanilid, acetophenetidin, amidopyrine, antipyrine, atropine, hyoscine, hyoscyamine, arsenic, digitalis, glucosides, mercury, ouabain, stophanthin, strychnine, thyroid, or any derivative or preparation of any such substances contained therein. However, to the extent that compliance with the requirements of this subdivision (5)(B) is impracticable, exemptions shall be established by ~~regulations~~ rules promulgated by the

board;

SECTION 2168. Arkansas Code § 20-56-211(6)(B), concerning a misbranded drug or device, is amended to read as follows:

(B) Such adequate warning against use in those pathological conditions or by children where its use may be dangerous to health, or against unsafe dosage or methods or duration of administration or application, in such manner and form as are necessary for the protection of users. However, where any requirement of subdivision (6)(A) of this section as applied to any drug or device is not necessary for the protection of the public health, the board shall promulgate ~~regulations~~ rules exempting the drug or device from the requirements;

SECTION 2169. Arkansas Code § 20-56-211(8), concerning a misbranded drug or device, is amended to read as follows:

(8) If it has been found by the board to be a drug liable to deterioration, unless it is packaged in such form and manner and its label bears a statement of such precautions as the board shall by ~~regulations~~ rule require as necessary for the protection of public health. No such ~~regulations~~ rules shall be established for any drug recognized in an official compendium until the board shall have informed the appropriate body charged with the revision of the compendium of the need for the packaging or labeling requirements and the body shall have failed within a reasonable time to prescribe the requirements;

SECTION 2170. Arkansas Code § 20-56-213(2)(B), concerning a misbranded cosmetic, is amended to read as follows:

(B) An accurate statement of the quantity of the contents in terms of weight, measure, or numerical count, provided that reasonable variations shall be permitted and exemptions as to small packages shall be established by ~~regulations~~ rules prescribed by the State Board of Health;

SECTION 2171. Arkansas Code § 20-56-214(b)(2), concerning false or misleading advertisement, is amended to read as follows:

(2) However, whenever the State Board of Health determines that an advance in medical science has made any type of self-medication safe as to

any of the diseases named in subdivision (b)(1)(A) of this section, the board shall by ~~regulation~~ rule authorize the advertisement of drugs having curative or therapeutic effect for the disease, subject to such conditions and restrictions as the board may deem necessary in the interests of public health.

SECTION 2172. Arkansas Code § 20-56-215(10), concerning prohibited acts under the Food, Drug, and Cosmetic Act, is amended to read as follows:

(10) Forging, counterfeiting, simulating, falsely representing or, without proper authority, using any mark, stamp, tag, label, or other identification device authorized or required by ~~regulations~~ rules promulgated under the provisions of this subchapter.

SECTION 2173. Arkansas Code § 20-56-217(a), concerning contamination with microorganisms under the Food, Drug, and Cosmetic Act, is amended to read as follows:

(a) Whenever the State Board of Health finds after investigation that the distribution in Arkansas of any class of food may, by reason of contamination with microorganisms during manufacture, processing, or packing thereof in any locality, be injurious to health and that the injurious nature cannot be adequately determined after the articles have entered commerce, it then, and in that case only, shall promulgate ~~regulations~~ rules providing for the issuance of permits to manufacturers, processors, or packers of the class of food in the locality. To these permits shall be attached such conditions governing the manufacture, processing, or packing of the class of food for such temporary period of time as may be necessary to protect the public health. After the effective date of the ~~regulations~~ rules and during the temporary period, no person shall introduce or deliver for introduction into commerce any food manufactured, processed, or packed by any manufacturer, processor, or packer unless the manufacturer, processor, or packer holds a permit issued by the board as provided by the ~~regulations~~ rules.

SECTION 2174. Arkansas Code § 20-56-218(a) and (b), concerning the use of poisonous or deleterious substances under the Food, Drug, and Cosmetic Act, are amended to read as follows:

(a) Any poisonous or deleterious substance added to any food, except

where the substance is required in the production thereof or cannot be avoided by good manufacturing practice, shall be deemed to be unsafe for purposes of the application of § 20-56-208(2), but when the substance is so required or cannot be so avoided, the State Board of Health shall promulgate ~~regulations~~ rules limiting the quantity therein or thereon to such extent as the board finds necessary for the protection of the public health. Any quantity exceeding the limits so fixed shall also be deemed to be unsafe for purposes of the application of § 20-56-208(2).

(b) While such a ~~regulation~~ rule is in effect limiting the quantity of any substance in the case of any food, the food shall not, by reason of bearing or containing any added amount of the substance not in excess of the limit established by ~~regulation~~ rule, be considered to be adulterated within the meaning of § 20-56-208(1).

SECTION 2175. Arkansas Code § 20-56-219 is amended to read as follows:

20-56-219. State Board of Health — Authority to regulate.

(a)(1) The authority to promulgate ~~regulations~~ rules for the efficient enforcement of this subchapter is vested in the State Board of Health.

(2) The board is authorized to make the ~~regulations~~ rules promulgated under this subchapter conform, insofar as practicable, with those promulgated under the Federal Food, Drug, and Cosmetic Act.

(b)(1) Before promulgating any ~~regulations~~ rules contemplated by § 20-56-209(10), § 20-56-211(4) and 20-56-209(6)-(8), § 20-56-214(b), § 20-56-217, or subsection (c) of this section, the board shall give appropriate notice of the proposal and of the time and place for a hearing.

(2) The ~~regulation~~ rule so promulgated shall become effective on a date fixed by the board which shall not be prior to thirty (30) days after its promulgation.

(3) The ~~regulation~~ rule may be amended or repealed in the same manner as is provided for its adoption, except that, in the case of a ~~regulation~~ rule amending or repealing a ~~regulation~~ rule, the board, to such an extent as it deems necessary in order to prevent undue hardship, may disregard the foregoing provisions regarding notice, hearing, or effective date.

(c)(1) Whenever in the judgment of the board such action will promote honesty and fair dealing in the interest of consumers, the board shall

promulgate ~~regulations~~ rules fixing and establishing for any food or class of food a reasonable definition and standard of identity or reasonable standard of quality or fill of container.

(2) In prescribing a definition and standard of identity for any food or class of food in which optional ingredients are permitted, the board shall, for the purpose of promoting honesty and fair dealing in the interest of consumers, designate the optional ingredients which shall be named on the label.

(3) The definitions and standards so promulgated shall conform so far as practicable to the definitions and standards promulgated under authority of the Federal Food, Drug, and Cosmetic Act.

SECTION 2176. Arkansas Code § 20-57-102(c) and (d), concerning the salvage of food, are amended to read as follows:

(c) The State Board of Health is empowered to promulgate and enforce reasonable ~~regulations~~ rules in order to assure that salvaged foods are safe for human or animal consumption, as the case may be.

(d) It shall be the duty of the Division of Environmental Health Protection of the Department of Health to administer the provisions of this section and the ~~regulations~~ rules pursuant to it.

SECTION 2177. Arkansas Code § 20-57-102(f)(1), concerning the salvage of food, is amended to read as follows:

(f)(1) A person who violates a provision of this section or a ~~regulation~~ rule pursuant to it shall be punished by a fine of not less than ten dollars ($10.00) nor more than one hundred dollars ($100) or shall be sentenced to imprisonment for not more than thirty (30) days, or both fine and imprisonment.

SECTION 2178. Arkansas Code § 20-57-102(g), concerning the salvage of food, is amended to read as follows:

(g) Subject to the rules ~~and regulations~~ which may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the department is authorized to transfer all unexpended funds relative to the food salvager's permit that pertain to fees collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available

for expenditures for the same purpose for any following fiscal year.

SECTION 2179. Arkansas Code § 20-57-204(c), concerning permits required to operate a food service establishment, is amended to read as follows:

(c) Any food service establishment may obtain a food service permit by paying an annual permit fee of thirty-five dollars ($35.00) to the department and by meeting the minimum requirements established by the applicable rules ~~and regulations~~.

SECTION 2180. Arkansas Code § 20-57-204(f), concerning permits required to operate a food service establishment, is amended to read as follows:

(f) Public school cafeterias shall be exempt from payment of the permit fee but shall submit to inspection pursuant to the rules ~~and regulations~~ of the State Board of Health.

SECTION 2181. Arkansas Code § 20-57-205(b), concerning the disposition of funds to the Division of Environmental Health Protection of the Department of Health, is amended to read as follows:

(b) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Health is authorized to transfer all unexpended funds relative to the food service program that pertain to fees collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 2182. Arkansas Code § 20-57-304 is amended to read as follows:

20-57-304. Penalty.

Any person who violates any of the provisions of this subchapter, or the orders~~,~~ or rules~~, or regulations~~ promulgated by the Director of the Department of Health under authority thereof, shall upon conviction be subject to a fine for each and every offense in a sum not exceeding five hundred dollars ($500) or to imprisonment for not more than six (6) months, or both fine and imprisonment.

SECTION 2183. Arkansas Code § 20-57-305(a)(1) and (2), concerning the powers and duties of the State Board of Health and Director of the Department of Health, are amended to read as follows:

(1) To make, amend, and rescind such rules ~~and regulations~~ as may be necessary to carry out the provisions of this subchapter, including, but without being limited to, such orders~~,~~ and rules~~, and regulations~~ as it is specifically authorized and directed to make;

(2) From time to time to adopt such ~~regulations~~ rules changing or adding to the required ingredients for flour or bread specified in §§ 20-57-302, 20-57-303, and 20-57-306 as shall be necessary to conform to the definitions and standard of identity of enriched flour and enriched bread from time to time promulgated by the appropriate federal agency pursuant to the Federal Food, Drug, and Cosmetic Act.

SECTION 2184. Arkansas Code § 20-57-305(b) and (c), concerning the powers and duties of th State Board of Health and Director of the Department of Health, are amended to read as follows:

(b) All orders~~,~~ and rules~~, and regulations~~ adopted by the board pursuant to this subchapter shall be published in the manner prescribed in subsection (c) of this section and, within the limits specified by this subchapter, shall become effective upon such date as the Director of the Department of Health shall fix.

(c) Whenever under this subchapter publication of any notice, order, or rule~~, or regulation~~ is required, the publication shall be made at least three (3) times in ten (10) days in newspapers of general circulation in three (3) different sections of the state.

SECTION 2185. Arkansas Code § 20-57-306(f)(1), concerning vitamins, flour, and other ingredients, is amended to read as follows:

(f)(1) The terms of this section shall not apply to flour sold to distributors, bakers, or other processors if the purchaser furnishes to the seller a certificate in such form as the director shall by ~~regulation~~ rule prescribe, certifying that the flour will be:

(A) Resold to a distributor, baker, or other processor;

(B) Used in the manufacture, mixing, or compounding of flour, white bread, or rolls enriched to meet the requirements of this

subchapter; or

(C) Used in the manufacture of products other than flour, white bread, or rolls.

SECTION 2186. Arkansas Code § 20-58-204(a), concerning penalties for violations of the Arkansas Egg Marketing Act of 1969, is amended to read as follows:

(a) Any person, firm, or corporation violating any of the provisions of this subchapter or ~~regulations~~ rules of the Arkansas Livestock and Poultry Commission shall be guilty of a violation and shall upon conviction:

(1) For the first offense, be fined not less than twenty-five dollars ($25.00) nor more than one hundred dollars ($100);

(2) For the second offense, be fined not less than one hundred dollars ($100) nor more than two hundred fifty dollars ($250); and

(3) For the third offense, be fined not less than two hundred fifty dollars ($250) nor more than five hundred dollars ($500).

SECTION 2187. Arkansas Code § 20-58-214(a), concerning enforcement of the Arkansas Egg Marketing Act of 1969, is amended to read as follows:

(a)(1) The Arkansas Livestock and Poultry Commission shall enforce the provisions of this subchapter and is authorized to make and promulgate such ~~regulations~~ rules as may be necessary thereto.

(2) The ~~regulations~~ rules shall be publicized and become effective ninety (90) days after adoption.

SECTION 2188. Arkansas Code § 20-58-214(b)(2), concerning enforcement of the Arkansas Egg Marketing Act of 1969, is amended to read as follows:

(2) If the inspection determines that the eggs in the container do not conform to the grade as labeled on the exterior of the container, the commission or its employees or agents are authorized to examine the invoices and such other records as are needed to determine the cause and place of the violation of the ~~regulation~~ rule of this subchapter.

SECTION 2189. Arkansas Code § 20-59-201(5), concerning the definition of "miscellaneous products" under the laws governing milk and dairy products, is amended to read as follows:

(5) Miscellaneous Products. Varieties, types, and kinds of milk and dairy products which are not defined in this section shall be manufactured and marketed under the standards of composition promulgated by the Bureau of Standards of the United States Food and Drug Administration, or may be promulgated by the Director of the Department of Health under authority vested in him or her to make and promulgate rules ~~and regulations~~;

SECTION 2190. Arkansas Code § 20-59-202(4), concerning penalties under the laws governing milk and dairy products, is amended to read as follows:

(4) Refuse or neglect to conform to the rules ~~and regulations~~ of the Department of Health that have been published as provided in this subchapter regarding the care or condition of any animal kept for dairy purposes or for the sanitary conditions of any room, building, or place where dairy products are kept either for storage or for the purpose of sale and distribution; or

SECTION 2191. Arkansas Code § 20-59-204(b), concerning the State Board of Health appointment of deputies, is amended to read as follows:

(b) The board is further authorized, when not inconsistent with this subchapter, to formulate and prescribe such reasonable rules ~~and regulations~~ and define and establish standards for dairy products included in this subchapter as may be deemed necessary to accomplish the purpose of this subchapter.

SECTION 2192. Arkansas Code § 20-59-205(a)(15)(B), concerning the right of review under the laws governing the manufacture and sale of milk and dairy products, is amended to read as follows:

(B) Provided, that the board shall not change, correct, adopt, or promulgate rules ~~or regulations~~ or other health code standards pertaining to the dairy industry of Arkansas, as defined in this section, until such changes have been reviewed by active Arkansas milk producers marketing agents, herein referred to as the “agents”, and by the Arkansas Dairy Products Association, hereinafter referred to as the “association”, in regular or especially called meetings of the agents and the association, or the governing bodies thereof. However, if meetings of the agents and the association are not held within thirty (30) days after a written notice by

the board of intent to change, correct, adopt, or promulgate rules ~~and regulations~~, the review of the agents and the association shall be deemed waived.

SECTION 2193. Arkansas Code § 20-59-205(a)(15)(D), concerning the right of review under the laws governing the manufacture and sale of milk and dairy products, is amended to read as follows:

(D) The Director of the Department of Health or the board may change, correct, adopt, or promulgate rules ~~and regulations~~ pertaining to the dairy industry of Arkansas in times of emergency or natural disaster without notice to the agents and the association.

SECTION 2194. Arkansas Code § 20-59-213(a) and (b), concerning dairy products from another state, are amended to read as follows:

(a) It is required that all dairy products as defined by § 20-59-201(2) shipped into this state from another state shall meet the sanitary standards, definitions, and requirements of Arkansas law and the rules ~~and regulations~~ promulgated by the State Board of Health.

(b) The board is authorized to establish acceptable reciprocal inspection authorities, interstate and intrastate, to properly enforce and administer this section in accordance with specifications and ~~regulations~~ rules adopted.

SECTION 2195. Arkansas Code § 20-59-246(b), concerning manufacturing milk permits, is amended to read as follows:

(b) Any dairy may obtain a manufacturing milk permit by paying an annual permit fee of twenty-five dollars ($25.00) to the Department of Health and by meeting the minimum requirements of the Rules ~~and Regulations~~ Pertaining to Milk for Manufacturing Purposes.

SECTION 2196. Arkansas Code § 20-59-247(b), concerning the disposition of funds relative to manufactured milk, is amended to read as follows:

(b) Subject to such rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Health is authorized to transfer all unexpended funds relative to manufactured milk that pertain to fees collected, as certified by the Chief

Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 2197. Arkansas Code § 20-59-301 is amended to read as follows:

20-59-301. Applicability.

Every person, firm, or corporation producing, manufacturing, processing, freezing, or packaging mellorine or mellorine mix shall comply with the same rules ~~and regulations~~ that govern the production and manufacturing of ice cream and other manufactured milk products, as promulgated by the State Board of Health.

SECTION 2198. Arkansas Code § 20-59-302(a), concerning penalties for violation of the rules about producing, manufacturing, processing, freezing, or packaging mellorine or mellorine mix, is amended to read as follows:

(a) Any person, firm, or corporation that violates any of the provisions of this subchapter or any of the rules ~~and regulations~~ issued in connection therewith or any officer, agent, or employee thereof who directs or knowingly permits such a violation or who aids or assists such a violation shall be guilty of a violation and upon conviction shall be subject to a fine of not more than two hundred fifty dollars ($250) and not less than fifty dollars ($50.00).

SECTION 2199. Arkansas Code § 20-59-303(a) and (b), concerning enforcement by the State Board of Health, are amended to read as follows:

(a) The State Board of Health, through its constituted officers and agents, is authorized and directed to administer and to supervise the enforcement of this subchapter, to prescribe rules ~~and regulations~~ to carry out its purpose, to provide for such periodic inspections and investigations as it may deem necessary to disclose violations, to receive and provide for the investigation of complaints and to provide for the institution and prosecution of civil or criminal actions, or both.

(b) The provisions of this subchapter and the rules ~~and regulations~~ issued in connection therewith may be enforced by injunction in any court having jurisdiction to grant injunctive relief. Adulterated or misbranded articles illegally held or otherwise involved in a violation of this subchapter or of the rules ~~and regulations~~ shall be subject to seizure and

disposition in accordance with an order of court.

SECTION 2200. Arkansas Code § 20-59-304(a), concerning production requirements of mellorine and mellorine mix, is amended to read as follows:

(a) Any person, firm, or corporation that can and does comply with the rules ~~and regulations~~ as promulgated by the State Board of Health and upon the payment of the permit fee and the issuance of a permit shall be eligible to produce, manufacture, process, freeze, and package mellorine and mellorine mix.

SECTION 2201. Arkansas Code § 20-59-402(3), concerning the definition of "grade 'A' milk and milk products" under the Advisory Committee to the Arkansas Grade 'A' Milk Program Act of 1981, is amended to read as follows:

(3) "Grade 'A' milk and milk products" means milk and milk products that are in compliance with the Grade "A" milk control laws and ~~regulations~~ rules of the State of Arkansas;

SECTION 2202. Arkansas Code § 20-59-503(a), concerning the Grade "A" Milk Program Advisory Committee under the Advisory Committee to the Arkansas Grade 'A' Milk Program Act of 1981, is amended to read as follows:

(a) There is created the Grade "A" Milk Program Advisory Committee to be composed of seven (7) members, to be selected as provided in this section. The committee shall be advisory to the Grade "A" Milk and Milk Products Inspection and Regulation Program for the purpose of recommending rules ~~and regulations~~ concerning Grade "A" milk and milk products and other health code standards within the Grade "A" milk industry of the state.

SECTION 2203. Arkansas Code § 20-59-703 is amended to read as follows:

20-59-703. Rules ~~and regulations~~.

The Department of Health shall have the authority to promulgate such rules ~~and regulations~~ as necessary to administer this subchapter.

SECTION 2204. Arkansas Code § 20-59-705(b), concerning the disposition of funds in support of the Milk Laboratory Antibiotic Drug Testing Program, is amended to read as follows:

(b) Subject to such rules ~~and regulations~~ as may be implemented by the

Chief Fiscal Officer of the State, the disbursing officer for the Department of Health is hereby authorized to transfer all unexpended funds relative to the program that pertain to fees collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for the expenditure for the same purpose for any following fiscal year.

SECTION 2205. Arkansas Code § 20-60-203(1)(B), concerning the definition of "adulterated" under the Arkansas Meat and Meat Products Inspection Act, is amended to read as follows:

(B) If it bears or contains any added poisonous or added deleterious substance, unless the substance is permitted in its production or unavoidable under good manufacturing practices as may be determined by rules ~~and regulations~~ prescribed by the Director of the Department of Health. However, any quantity of added substances exceeding the limit so fixed shall also be deemed to constitute adulteration;

SECTION 2206. Arkansas Code § 20-60-203(16), concerning the definition of "official inspection mark" under the Arkansas Meat and Meat Products Inspection Act, is amended to read as follows:

(16) “Official inspection mark” means any symbol, formulated pursuant to rules ~~and regulations~~ prescribed by the director, stating that an article was inspected and passed;

SECTION 2207. Arkansas Code § 20-60-203(19)(A), concerning the definition of "unwholesome" under the Arkansas Meat and Meat Products Inspection Act, is amended to read as follows:

(A) Unsound, injurious to health, containing any biological residue not permitted by rules ~~or regulations~~ prescribed by the director, or otherwise rendered unfit for human food;

SECTION 2208. The introductory language of Arkansas Code § 20-60-204(a)(1), concerning exceptions under the Arkansas Meat and Meat Products Inspection Act, is amended to read as follows:

(a)(1) The Director of the Department of Health shall, by ~~regulation~~ rule and under such conditions as to labeling, sanitary standards, practices, and procedures as he or she may prescribe, exempt from specific provisions of

this subchapter:

SECTION 2209. Arkansas Code § 20-60-204(c)(3)(A), concerning exceptions under the Arkansas Meat and Meat Products Inspection Act, is amended to read as follows:

(A) The custom establishment must comply with the ~~regulations~~ rules which the director is authorized to promulgate to assure that any carcasses, parts thereof, meat, or meat food products prepared or any containers or packages containing uninspected, exempted custom products are separated at all times from inspected carcasses, parts thereof, or meat, or meat food products prepared for sale;

SECTION 2210. Arkansas Code § 20-60-206(a), concerning notice of rules related to the Arkansas Meat and Meat Products Inspection Act, is amended to read as follows:

(a)(1) The Director of the Department of Health shall promulgate such rules ~~and regulations~~ and appoint such veterinarians and other qualified personnel as are necessary to carry out the purposes or provisions of this subchapter. The rules ~~and regulations~~ shall be in conformity with the rules and regulations under the Federal Meat Inspection Act as now in effect and with subsequent amendments thereof unless they are considered by the director as not to be in accord with the objectives of this subchapter.

(2) Notice of proposed rules ~~and regulations~~ shall be given all establishments licensed under this subchapter. A hearing shall be called by the director at which proponents and opponents of the proposed rules ~~and regulations~~ shall be given the opportunity to present arguments supporting their positions. The time, place, and procedure for the hearing shall be determined by the director. No proposed rules ~~and regulations~~ shall become effective until after the hearing.

SECTION 2211. Arkansas Code § 20-60-209(a), concerning inspection and sanitary practices required under the Arkansas Meat and Meat Products Inspection Act, is amended to read as follows:

(a) Each official establishment at which livestock are slaughtered or livestock carcasses or parts thereof or meat food products are processed for intrastate commerce shall have the premises, facilities, and equipment

inspected and shall be operated in accordance with such sanitary practices as are required by rules ~~or regulations~~ prescribed by the Director of the Department of Health for the purpose of preventing the entry into and movement in commerce of carcasses, parts thereof, and meat food products which are unwholesome or adulterated.

SECTION 2212. Arkansas Code § 20-60-211(b)(2), concerning withdrawal and denial of inspection under the Arkansas Meat and Meat Products Inspection Act, is amended to read as follows:

(2) The hearing shall be held after notice to the establishment in such manner as the director shall determine by his or her rules ~~and regulations~~.

SECTION 2213. Arkansas Code § 20-60-213(a)(4), concerning labeling and marking under the Arkansas Meat and Meat Products Inspection Act, is amended to read as follows:

(4) The Director of the Department of Health may by ~~rules or regulations~~ rule require additional marks or label information to appear on livestock carcasses or parts thereof or meat food products when they leave the official establishments or at the time of their transportation or sale in this state. He or she may permit reasonable variations and grant exemptions from the marking and labeling requirements of this section in any number not in conflict with the purposes of this subchapter.

SECTION 2214. Arkansas Code § 20-60-214(3), concerning prohibited acts under the Arkansas Meat and Meat Products Inspection Act, is amended to read as follows:

(3) Falsely making or issuing, altering, forging, simulating, counterfeiting, or using without proper authority any official inspection certificate, memorandum, mark, or other identification, or device for making a mark or identification, used in connection with inspection under this subchapter; or causing, procuring, aiding, assisting in, or being a party to false making, issuing, altering, forging, simulating, counterfeiting, or unauthorized use; or knowingly possessing, without promptly notifying the Director of the Department of Health or his or her representative, uttering, publishing, or using as true, or causing to be uttered, published, or used as

true, any falsely made or issued, altered, forged, simulated, or counterfeited official inspection certificate, memorandum, mark, or other identification, or device for making a mark or identification; or representing that any article has been officially inspected under the authority of this subchapter when the article has in fact not been so inspected; or knowingly making any false representation in any certificate prescribed by the director in rules ~~or regulations~~ under this subchapter or any form resembling the certificate;

SECTION 2215. Arkansas Code § 20-60-214(10), concerning prohibited acts under the Arkansas Meat and Meat Products Inspection Act, is amended to read as follows:

(10) Delivering, receiving, transporting, selling, or offering for sale or transportation in intrastate commerce for human consumption any livestock carcass or part thereof or meat food product which has been processed in violation of any requirements under this subchapter except as may be authorized by and pursuant to rules ~~and regulations~~ prescribed by the director;

SECTION 2216. Arkansas Code § 20-60-215(a), concerning records under the Arkansas Meat and Meat Products Inspection Act, is amended to read as follows:

(a) For the purpose of enforcing the provisions of this subchapter, persons engaged in this state in the business of processing for intrastate commerce or transporting, shipping, or receiving in commerce livestock slaughtered for human consumption or meat or meat food products, or holding articles so received, shall maintain the records as the Director of the Department of Health by ~~regulation~~ rule may require, showing, to the extent that they are concerned therewith, the receipt, delivery, sale, movement, or disposition of the articles and shall, upon the request of an authorized representative of the director, permit him or her at reasonable times to have access to and to copy all the records.

SECTION 2217. Arkansas Code § 20-60-303 is amended to read as follows:

20-60-303. Regulatory authority of the Director of the Department of Health.

The Director of the Department of Health shall promulgate such rules ~~and regulations~~ as are necessary to carry out the purposes and provisions of this subchapter.

SECTION 2218. Arkansas Code § 20-61-101(a)(2), concerning the requirements for selling foreign fish, is amended to read as follows:

(2) The fish has been packaged and processed under sanitary conditions equal to the standards required by the laws and ~~regulations~~ rules of this state for fish processing plants.

SECTION 2219. Arkansas Code § 20-61-101(b)(3)(B), concerning the requirements for selling foreign fish, is amended to read as follows:

(B) The director is authorized to promulgate rules ~~and regulations~~ necessary to enforce subsection (a) and subdivisions (b)(1) and (2) of this section.

SECTION 2220. Arkansas Code § 20-61-101(b)(4), concerning the requirements for selling foreign fish, is amended to read as follows:

(4) In addition, all suppliers of any fresh, cold storage, or frozen fish shall furnish to any distributor or retailer to which the product is sold in this state proof that the fish has been packaged and processed under sanitary conditions equal to the sanitary conditions required of fish processing plants in this state. The proof may be upon certification by the Department of Health or certification by the United States Food and Drug Administration or other appropriate federal agency that the processing plant in which the fish was packaged or processed meets sanitary conditions within at least the minimum requirements of the laws and ~~regulations~~ rules of this state for fish processing plants, or proof may be upon the certification of the supplier that the fish packaged or processed outside this state or in a foreign country was packaged or processed in a fish processing plant that meets at least the minimum requirements of the laws and ~~regulations~~ rules of this state for sanitary conditions for fish processing plants.

SECTION 2221. Arkansas Code § 20-61-202(1), concerning the definition of "capable of use as human food" under the Arkansas Catfish Marketing Act of 1975, is amended to read as follows:

(l) "Capable of use as human food" shall mean and shall apply to any catfish, catfish-like species, or part or product of catfish or a catfish-like species unless it is denatured or otherwise identified as required by ~~regulations~~ rules prescribed by the Director of the Arkansas Bureau of Standards to deter its use as human food or unless it is naturally inedible by humans;

SECTION 2222. Arkansas Code § 20-61-203(d)(1), concerning penalties and injunctions under the Arkansas Catfish Marketing Act of 1975, is amended to read as follows:

(d)(1) The director is authorized to apply for and the court to grant a temporary or permanent injunction restraining any person from violating or continuing to violate any of the provisions of this subchapter or any rule ~~or regulation~~ promulgated under this subchapter, notwithstanding the existence of other remedies at law.

SECTION 2223. Arkansas Code § 20-61-205 is amended to read as follows:

20-61-205. Rules ~~and regulations~~.

(a) The Director of the Arkansas Bureau of Standards is authorized to promulgate such rules ~~and regulations~~ as may be necessary for the efficient enforcement of this subchapter.

(b)(1) Before the issuance, amendment, or repeal of any rule ~~or regulation~~ authorized by this subchapter, the director shall publish the proposed ~~regulation~~ rule, amendment, or notice to repeal an existing ~~regulation~~ rule in a manner reasonably calculated to give interested parties adequate notice and shall afford all interested persons an opportunity to present their views thereon, orally or in writing, within a reasonable period of time.

(2) After consideration of all views presented by interested persons, the director shall take appropriate action to issue the proposed rules ~~or regulations~~ or to amend or repeal an existing rule ~~or regulation~~.

SECTION 2224. Arkansas Code § 20-61-301(d)(1), concerning the penalty for violations of the laws addressing catfish identification by restaurants, is amended to read as follows:

(d)(1) The director is authorized to apply for and the court is

authorized to grant a temporary or permanent injunction restraining any person from violating or continuing to violate any of the provisions of this subchapter or any rule ~~or regulation~~ promulgated under this subchapter, notwithstanding the existence of other remedies at law.

SECTION 2225. Arkansas Code § 20-61-304 is amended to read as follows:

20-61-304. Rules ~~and regulations~~.

The Director of the Arkansas Bureau of Standards is authorized to promulgate such rules ~~and regulations~~ as may be necessary for the efficient enforcement of this subchapter.

SECTION 2226. Arkansas Code § 20-64-302(3)(B)(iii), concerning the definition of "depressant or stimulant drug" under the Arkansas Drug Abuse Control Act, is amended to read as follows:

(iii) Any substance designated by regulations promulgated under the Federal Food Drug, and Cosmetic Act or by rule promulgated by the board as habit-forming because of its stimulant effect on the central nervous system. In formulating these ~~regulations~~ rules, the board shall take into consideration the regulations promulgated from time to time under the Federal Food, Drug, and Cosmetic Act and shall amend the ~~regulations~~ rules so as to keep them in harmony with the definitions prescribed by the Federal Food, Drug, and Cosmetic Act.

SECTION 2227. Arkansas Code § 20-64-302(3)(C), concerning the definition of "depressant or stimulant drug" under the Arkansas Drug Abuse Control Act, is amended to read as follows:

(C) Any drug which contains any quantity of a substance designated by regulations promulgated under the Federal Food, Drug, and Cosmetic Act or by rule promulgated by the board as having a potential for abuse because of its depressant or stimulant effect on the central nervous system or its hallucinogenic effect, provided that the board in formulating its ~~regulations~~ rules shall take into consideration all regulations promulgated pursuant to the Federal Food, Drug, and Cosmetic Act and shall amend its ~~regulations~~ rules so as to keep them in harmony with the regulations prescribed by the Federal Food, Drug, and Cosmetic Act;

SECTION 2228. Arkansas Code § 20-64-317 is amended to read as follows:

20-64-317. Rules ~~and regulations~~.

(a) The authority to promulgate rules ~~and regulations~~ for the efficient enforcement of this subchapter is vested in the State Board of Health.

(b) Before the rules ~~or regulations~~ or amendments thereto shall become effective, the board shall publish notice two (2) times weekly for two (2) consecutive weeks in a newspaper of general circulation in this state, setting forth in the newspaper notice a concise summary of the proposed rule~~, regulation,~~ or amendment thereto and setting forth, in addition, the time and place at which open public hearings are to be held on the rules ~~and regulations~~.

(c) The hearing shall be held not earlier than ten (10) days nor later than fifteen (15) days following the last published notice thereon.

(d) The board is authorized to make the ~~regulations~~ rules promulgated under this subchapter conform, insofar as practicable, with those regulations promulgated under the Federal Food, Drug, and Cosmetic Act.

SECTION 2229. Arkansas Code § 20-64-507 is amended to read as follows:

20-64-507. ~~Regulations~~ Rules.

(a) The Arkansas State Board of Pharmacy shall adopt ~~regulations~~ rules for the wholesale distribution of prescription drugs which promote the public health and welfare and which comply with the minimum standards, terms, and conditions of the Prescription Drug Marketing Act and federal regulations, including without limitations 21 C.F.R. § 205, for licensing by state authorities of persons who engage in the wholesale distribution in interstate commerce of prescription drugs. The ~~regulations~~ rules shall include without limitation:

(1) Minimum information from each wholesale distributor required for licensing and renewal of licenses;

(2) Minimum qualifications of persons who engage in the wholesale distribution of prescription drugs;

(3) Appropriate education or experience, or both, of persons employed in wholesale distribution of prescription drugs who assume responsibility for positions related to compliance with state licensing requirements;

(4) Minimum requirements for the storage and handling of prescription drugs; and

(5) Minimum requirements for the establishment and maintenance of prescription drug distribution records.

(b) In the event that this subchapter or ~~regulations~~ rules promulgated under this subchapter conflict with the federal Prescription Drug Marketing Act or federal regulations, the federal Prescription Drug Marketing Act or federal regulations shall control.

(c) The board shall appoint an advisory committee composed of seven (7) members, one (1) of whom shall be a representative of a pharmacy but who shall not be a member of the board, three (3) of whom shall be representatives of wholesale drug distributors, and three (3) of whom shall be representatives of drug manufacturers. The committee shall review and make recommendations to the board on the merit of all rules ~~and regulations~~ dealing with pharmacy distributors, wholesale drug distributors, and drug manufacturers which are proposed by the board.

SECTION 2230. Arkansas Code § 20-64-508(1) and (2), concerning the revocation or suspension of licenses by the Arkansas State Board of Pharmacy, are amended to read as follows:

(1) Violation of any federal, state, or local law, rule, or regulation relating to drugs;

(2) Violation of any provisions of this subchapter or any ~~regulation~~ rule promulgated hereunder; or

SECTION 2231. Arkansas Code § 20-64-602(b)(14), concerning the powers and duties of the Division of Aging, Adult, and Behavioral Health Services of the Department of Human Services for alcohol and drug abuse prevention, is amended to read as follows:

(14) Specify uniform methods for keeping statistical information on all individuals receiving services related to the use or misuse of alcohol and drugs and also develop and maintain a centralized data collection and dissemination system for alcohol and drug abuse programs and activities consistent with federal and state statutes, rules, and regulations;

SECTION 2232. Arkansas Code § 20-64-602(b)(19), concerning the powers

and duties of the Division of Aging, Adult, and Behavioral Health Services of the Department of Human Services for alcohol and drug abuse prevention, is amended to read as follows:

(19) Develop and promulgate standards~~,~~ and rules~~, and regulations~~ for accrediting, certifying, and licensing alcohol and drug abuse prevention, treatment, and rehabilitation programs and facilities within the state, under the supervision and direction of the director, provided that the standards~~,~~ and rules~~, and regulations~~ shall not supersede standards~~,~~ and rules~~, and regulations~~ promulgated by other state agencies for programs or facilities whose primary mission is not alcohol and drug abuse prevention, treatment, and rehabilitation;

SECTION 2233. Arkansas Code § 20-64-602(b)(22), concerning the powers and duties of the Division of Aging, Adult, and Behavioral Health Services of the Department of Human Services for alcohol and drug abuse prevention, is amended to read as follows:

(22) Conduct annual site visits to all state and federally funded alcohol and drug abuse programs and facilities to determine their compliance with the standards~~,~~ and rules~~, and regulations~~ for accrediting, certifying, and licensing as set forth in subdivision (b)(19) of this section;

SECTION 2234. Arkansas Code § 20-64-805(b)(2), concerning inspections by the Division of Aging, Adult, and Behavioral Health Services of the Department of Human Services of facilities or programs for alcohol and other drug abuse, is amended to read as follows:

(2) Establish ongoing mechanisms, guidelines, and ~~regulations~~ rules for review and refinement of the treatment programs offered in the receiving facilities or programs for alcohol and other drug abuse throughout this state.

SECTION 2235. Arkansas Code § 20-64-812(a)(3)(B), concerning absence from a treatment facility or program, is amended to read as follows:

(B) Statements made by the treating staff to the prosecuting attorney shall be treated as confidential, and the prosecuting attorney shall remain subject to the confidentiality requirements as set

forth in state and federal law, rules, and regulations.

SECTION 2236. Arkansas Code § 20-64-907(b), concerning reporting requirements of alcohol and drug abuse treatment programs, is amended to read as follows:

(b) The division shall promulgate ~~regulations~~ rules and prescribe forms for the implementation of this section.

SECTION 2237. Arkansas Code § 20-76-201(2), concerning the powers and duties of the Department of Human Services, is amended to read as follows:

(2) Administer or supervise all child welfare activities in accordance with the rules ~~and regulations~~ of the department, including:

(A) The licensing and supervision of private and public child care agencies and institutions;

(B) The care of dependent, neglected, and delinquent children and children with mental or physical disabilities in foster family homes or in institutions; and

(C) The care and supervision of children placed for adoption;

SECTION 2238. Arkansas Code § 20-76-201(4), concerning the powers and duties of the Department of Human Services, is amended to read as follows:

(4) Administer and make effective the rules ~~and regulations~~ governing personnel administration, including the preparation and administration of classification and compensation plans and the method of selection for positions in the department:

(A) Develop performance standards and bonus awards for all positions in the program focused on achieving the outcomes; and

(B) Remove or transfer employees from the program to other responsibilities within the department if they do not meet performance standards;

SECTION 2239. Arkansas Code § 20-76-201(12) and (13), concerning the powers and duties of the Department of Human Services, are amended to read as follows:

(12) Make rules ~~and regulations~~ and take actions as are

necessary or desirable to carry out the provisions of this chapter and that are not inconsistent therewith;

(13) Solicit participation of private organizations, nonprofit organizations, charitable organizations, and institutions of education in the delivery of services and in the enactment and revision of rules ~~and regulations~~;

SECTION 2240. Arkansas Code § 20-76-204 is amended to read as follows:

20-76-204. County offices — Powers and duties.

(a) The appropriate division of the Department of Human Services shall have authority to receive, disburse, and account for funds from the division, county, state, or any other source for purposes and plans approved by the division in accordance with the rules ~~and regulations~~ established by the division.

(b) The appropriate division is empowered to receive and disburse funds received from the department for general relief purposes. The funds shall be spent and accounted for by the county offices in accordance with the rules~~, regulations,~~ and policies of the department pertaining to the granting of assistance and relief.

(c) The appropriate division is authorized to establish a county welfare fund from which fund the county offices are authorized to make such disbursements and expenditures for general relief as may be necessary to carry out the purposes of this act and in accordance with the rules ~~and regulations~~ of the Department of Human Services.

SECTION 2241. Arkansas Code § 20-76-207(d), concerning political activity of an officer or employee of the Department of Human Services, is amended to read as follows:

(d) Any officer or employee of the division or of a county office violating this provision shall be subject to discharge or suspension or such other disciplinary measures as may be provided by the rules ~~and regulations~~ of the division.

SECTION 2242. Arkansas Code § 20-76-212 is amended to read as follows:

20-76-212. Reimbursement rate to providers — Arkansas Medicaid program.

Notwithstanding any other provision in federal law or departmental commitment which may exist to the contrary, the Department of Human Services shall not increase any reimbursement rate to any provider or provider groups supported in whole or in part by funds administered by the Department of Human Services, nor shall it adopt any other rule~~, regulation,~~ or amendment to the Arkansas Medicaid Program that would result in an obligation of the general revenues of the state without first seeking and receiving the approval of the Governor and the Chief Fiscal Officer of the State.

SECTION 2243. The introductory language of Arkansas Code § 20-76-401(c), concerning eligibility for the Transitional Employment Assistance Program, is amended to read as follows:

(c) The Department of Human Services shall promulgate ~~regulations~~ rules to determine resource eligibility and benefit levels for participating families. The ~~regulations~~ rules shall be subject to review and recommendation by the Arkansas Workforce Development Board and shall include, but not be limited to, the following categories of income and resource disregards:

SECTION 2244. Arkansas Code § 20-76-402(f)(2) and (3), concerning approved work activities for transitional employment assistance recipients, are amended to read as follows:

(2) An individual required to care for a recipient child until the child reaches the maximum age specified by ~~regulation~~ rule, not to exceed twelve (12) months of age;

(3) A parent or caregiver with a disability, based upon criteria set forth in ~~regulations~~ rules;

SECTION 2245. Arkansas Code § 20-76-402(f)(5), concerning approved work activities for transitional employment assistance recipients, is amended to read as follows:

(5) A parent or caregiver who is caring for a child relative with a disability or an adult relative with a disability, based upon criteria set forth in ~~regulations~~ rules;

SECTION 2246. Arkansas Code § 20-76-404(a)(3), concerning the duration of assistance and extended support services, is amended to read as follows:

(3) The Department of Workforce Services may by ~~regulation~~ rule establish other limitations on the receipt of financial assistance not inconsistent with state or federal law.

SECTION 2247. Arkansas Code § 20-76-404(c)(5) and (6), concerning the duration of assistance and extended support services, are amended to read as follows:

(5) A parent or caregiver who is caring for a disabled child relative or disabled adult relative, based upon criteria set forth in Department of Workforce Services ~~regulations~~ rules;

(6) A disabled parent or caregiver, based upon criteria set forth in Department of Workforce Services ~~regulations~~ rules;

SECTION 2248. Arkansas Code § 20-76-404(c)(10), concerning the duration of assistance and extended support services, is amended to read as follows:

(10) Individuals participating in education and training activities who have reached the end of their twenty-four-month cumulative limit on financial assistance, have complied with all transitional employment assistance ~~regulations~~ rules, are making satisfactory academic progress as determined by the academic institution or training program in which the individual is currently enrolled, and are expected to complete the requirements for the education or training program within a reasonable period of time as defined in ~~regulations~~ rules issued by the Department of Workforce Services.

SECTION 2249. Arkansas Code § 20-76-405(a), concerning diversion from employment assistance, is amended to read as follows:

(a) When an applicant applies for employment assistance, the Department of Human Services shall determine whether the applicant is eligible to be diverted from receiving employment assistance. That determination shall be based on an assessment conducted in conformity with ~~regulations~~ rules promulgated by the department.

SECTION 2250. Arkansas Code § 20-76-419(b)(1), concerning assistance grants to blind persons, is amended to read as follows:

(1) Promulgate rules ~~and regulations~~, in terms of ophthalmic measurements, to determine the amount of visual acuity which an applicant may have and still be eligible for assistance grants under this act;

SECTION 2251. Arkansas Code § 20-76-419(e), concerning assistance grants to blind persons, is amended to read as follows:

(e) On the basis of the findings of the ophthalmologist's examination as provided for in this act, supplementary services may be provided by the division to any applicant or recipient who is in need of treatment either to prevent blindness or to restore his or her eyesight whether or not he or she is blind as defined in this act or rules ~~and regulations~~ of the division, if he or she is otherwise qualified for assistance grants under this act. The supplementary services may include necessary traveling and other expenses to receive treatment from a hospital or clinic designated by the division.

SECTION 2252. Arkansas Code § 20-76-431(b), concerning the transfer of property prohibited during the continuance of assistance, is amended to read as follows:

(b) To overcome the presumption of fraud, an immediate investigation will be made to determine whether the property was transferred within the rules ~~and regulations~~ of the division. The fair market value of the transferred property shall be considered as available toward meeting the needs of the recipient.

SECTION 2253. Arkansas Code § 20-76-433(a)(1)(B), concerning confidentiality of records of persons participating in programs administered by the Department of Human Services, is amended to read as follows:

(B) The rulemaking power of the department shall include the power to establish and enforce reasonable rules ~~and regulations~~ governing the custody, use, and preservation of the records, papers, files, and departmental communications.

SECTION 2254. Arkansas Code § 20-76-433(b), concerning confidentiality of records of persons participating in programs administered by the Department of Human Services, is amended to read as follows:

(b) Except for purposes directly connected with the administration of

public assistance and in accordance with the rules ~~and regulations~~ of the department, it shall be unlawful for any person or persons to solicit, disclose, receive, make use of, authorize, knowingly permit, participate in, or acquiesce in the use of any list of or names of or any information concerning persons applying for or receiving assistance directly or indirectly derived from the records, papers, files, or communications of the department or acquired in the course of the performance of official duties.

SECTION 2255. Arkansas Code § 20-76-439(f), concerning self-sufficiency assessments, personal responsibility agreements, and supportive services, is amended to read as follows:

(f) The department may develop and promulgate ~~regulations~~ rules requiring program applicants who have been determined to be job-ready to engage in job search activities while the application is being processed.

SECTION 2256. Arkansas Code § 20-77-102(c), concerning the establishment of a program for long-term care facility care, is amended to read as follows:

(c)(1) However, the deputy director of the appropriate division of the department shall, in establishing the level of payment for services and benefits for long-term care facility care to be provided under the provisions of this section, promulgate appropriate rules ~~and regulations~~ to limit the cost of services to the State of Arkansas to funds available or estimated to be available to the appropriate division for that purpose during each fiscal year.

(2) The ~~regulations~~ rules promulgated by the deputy director shall provide that all persons eligible within each class of eligibility shall receive equal consideration for benefits.

(3) The deputy director of the appropriate division of the department is authorized to promulgate such additional rules ~~and regulations~~ as deemed to be necessary to prevent abuse of benefits under this section, yet make available to the residents of this state who are eligible the full benefits of this section within the limitation of funds available therefor.

SECTION 2257. Arkansas Code § 20-77-106(c), concerning the medical services program for Medicaid-eligible patients of Arkansas Children's

Hospital, is amended to read as follows:

(c) The Chief Fiscal Officer of the State shall make rules ~~and regulations~~ for the transfer of state funds appropriated for the Arkansas Children's Hospital in order to reimburse the account for expenditures made by the appropriate division of the department in accordance with agreements made between the Arkansas Children's Hospital and the appropriate division of the department.

SECTION 2258. Arkansas Code § 20-77-107(a)(2), concerning the program for indigent medical care, is amended to read as follows:

(2) However, eligibility ~~regulations~~ rules for the ARKids First Program Act, § 20-77-1101 et seq., shall not include an assets or a resource test for children or families of children eighteen (18) years of age or younger.

SECTION 2259. Arkansas Code § 20-77-107(c), concerning the program for indigent medical care, is amended to read as follows:

(c) The director may enter into agreements with private or public entities to assist in the enforcement of rules ~~and regulations~~ of an indigent medical program, including:

(1) Utilization review; and

(2) Professional review of providers participating in the program.

SECTION 2260. Arkansas Code § 20-77-107(d)(1), concerning the program for indigent medical care, is amended to read as follows:

(d)(1) The director shall ensure that any entity with whom the department contracts to assist in the enforcement of rules ~~and regulations~~ of an indigent medical program will fulfill its duties in accordance with state and federal law, rules, and regulations.

SECTION 2261. Arkansas Code § 20-77-107(f)(1), concerning the program for indigent medical care, is amended to read as follows:

(1) The party conducting any professional reviews of providers participating in the program shall be knowledgeable in the specific areas of law, rules, and regulations being enforced;

SECTION 2262. Arkansas Code § 20-77-108(c), concerning the furnishing of an annual audit by nonprofit Medicaid providers, is amended to read as follows:

(c) The department is specifically authorized to promulgate ~~regulations~~ rules establishing subrecipient and provider audit requirements for all programs funded through the department.

SECTION 2263. Arkansas Code § 20-77-110 is amended to read as follows:

20-77-110. Increase in reimbursement rate.

Notwithstanding any other provision in federal law or departmental commitment which may exist to the contrary, the Department of Human Services shall not increase any reimbursement rate to any provider or provider groups supported in whole or in part by funds administered by the department, nor shall it adopt any other rule~~, regulation,~~ or amendment to the Arkansas Medicaid Program that would result in an obligation of the general revenues of the state without first seeking and receiving the approval of the Governor and the Chief Fiscal Officer of the State.

SECTION 2264. Arkansas Code § 20-77-121(d)(2)(A)(i), concerning adverse decisions by the Department of Human Services for a claim for medical assistance, is amended to read as follows:

(i) The specific rules or regulations that support the adverse action; or

SECTION 2265. Arkansas Code § 20-77-121(d)(2)(C), concerning adverse decisions by the Department of Human Services for a claim for medical assistance, is amended to read as follows:

(C) The department and others acting on behalf of the department may not cite or rely on policies that are inconsistent with federal or state laws, rules, and regulations or that were not properly promulgated; and

SECTION 2266. Arkansas Code § 20-77-709(b)(2), concerning the powers of cotrustees of the Special Needs Trust Revolving Fund, is amended to read as follows:

(2) Adopt rules ~~and regulations~~ to implement the provisions of this subchapter;

SECTION 2267. Arkansas Code § 20-77-1303(9), concerning the definition of "rule" under the Medical Assistance Programs Integrity Law, is amended to read as follows:

(9) “Rule” means any rule ~~or regulation~~ promulgated by the department in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., and any federal rule or regulation promulgated by the federal government in accordance with federal law; and

SECTION 2268. Arkansas Code § 20-77-1304(a)(1), concerning claims review and administrative sanctions under the Medical Assistance Programs Integrity Law, is amended to read as follows:

(a)(1) Pursuant to rules ~~and regulations~~ promulgated in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., the Director of the Department of Human Services shall establish a process to review a claim made by a healthcare provider to determine whether the claim should be or should have been paid as required by federal or state law or rule.

SECTION 2269. Arkansas Code § 20-77-1304(b)(1), concerning claims review and administrative sanctions under the Medical Assistance Programs Integrity Law, is amended to read as follows:

(b)(1) The director may establish various types of administrative sanctions pursuant to rules ~~and regulations~~ promulgated in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., which may be imposed on a healthcare provider or other person who violates any provision of this subchapter or any other applicable federal or state law or rule related to the medical assistance programs.

SECTION 2270. Arkansas Code § 20-77-2205(e), concerning Medicaid payment and reimbursement rules related to development of episodes of care under the Healthcare Quality and Payment Policy Advisory Committee Act, is amended to read as follows:

(e) After the public comment period, the department shall retain and

make available for public review the report required under subdivision (d)(2) of this section and the text of any final ~~regulation~~ rule issued.

SECTION 2271. Arkansas Code § 20-78-203(b)(1), concerning penalties under the Child Care Facility Licensing Act, is amended to read as follows:

(b)(1) The Division of Child Care and Early Childhood Education of the Department of Human Services is authorized to impose monetary fines as civil penalties to be paid for failure to comply with the provisions of this subchapter or the ~~regulations~~ rules promulgated pursuant thereto.

SECTION 2272. Arkansas Code § 20-78-203(b)(2)(A), concerning penalties under the Child Care Facility Licensing Act, is amended to read as follows:

(A) The gravity of the violation, including the probability that death or serious physical harm to a child will result or has resulted, the severity and scope of the actual or potential harm, and the extent to which the provisions of the applicable statutes or ~~regulations~~ rules were violated;

SECTION 2273. Arkansas Code § 20-78-203(b)(2)(B)(ii), concerning penalties under the Child Care Facility Licensing Act, is amended to read as follows:

(ii) Indications of good faith include, but are not limited to, awareness of the applicable statutes and ~~regulations~~ rules and reasonable diligence in securing compliance, prior accomplishments manifesting the desire to comply with the requirements, efforts to correct, and any other mitigating factors in favor of the operator;

SECTION 2274. Arkansas Code § 20-78-203(d), concerning penalties under the Child Care Facility Licensing Act, is amended to read as follows:

(d) With the review and approval of the Arkansas Early Childhood Commission, the division shall publish and promulgate rules ~~and regulations~~ classifying violations as follows:

(1)(A)(i) Class A violations involve essential standards that must be met for substantial compliance to licensing requirements.

(ii) These standards address fire, health, safety, nutrition, staff-to-child ratio, and space.

(B)(i) Operation of an unlicensed child care facility shall be considered a Class A violation.

(ii) However, the definition of unlicensed child care facility shall not be interpreted to include exempt child care facilities as defined in § 20-78-209.

(C) Class A violations are subject to a civil penalty of one hundred dollars ($100) for each violation; and

(2)(A) Class B violations involve administrative standards and standards that do not directly threaten the immediate health, safety, or welfare of the children.

(B) Class B violations are subject to a civil penalty of fifty dollars ($50.00) for each violation.

SECTION 2275. Arkansas Code § 20-78-206(a)(2)(A)(ii), concerning the rules of the Division of Child Care and Early Childhood Education under the Child Care Facility Licensing Act, is amended to read as follows:

(ii) The immunization shall be evidenced by a certificate of a licensed physician or a public health department acknowledging the immunization. The division shall consult with the Commissioner of Education or his or her designated representative in regard to rules ~~and regulations~~ relating to education.

SECTION 2276. Arkansas Code § 20-78-206(a)(2)(B)(ii) and (iii), concerning the rules of the Division of Child Care and Early Childhood Education under the Child Care Facility Licensing Act, are amended to read as follows:

(ii) The parents or legal guardian of the child shall complete an annual application process developed in the rules ~~and regulations~~ of the Department of Health for medical, religious, and philosophical exemptions.

(iii) The rules ~~and regulations~~ developed by the Department of Health for medical, religious, and philosophical exemptions shall include, but not be limited to:

(a) A notarized statement requesting a religious, philosophical, or medical exemption from the Department of Health by the parents or legal guardian of the child regarding the objection;

(b) Completion of an educational component developed by the Department of Health that includes information on the risks and benefits of vaccination;

(c) An informed consent from the parents or guardian that shall include a signed statement of refusal to vaccinate based on the Department of Health's refusal-to-vaccinate form; and

(d) A signed statement of understanding that:

(1) At the discretion of the Department of Health, the unimmunized child or individual may be removed from day care or school during an outbreak if the child or individual is not fully vaccinated; and

(2) The child or individual shall not return to school until the outbreak has been resolved and the Department of Health approves the return to school.

SECTION 2277. Arkansas Code § 20-78-206(a)(3) and (4), concerning the rules of the Division of Child Care and Early Childhood Education under the Child Care Facility Licensing Act, are amended to read as follows:

(3) The director and the commissioner and their designated representatives are directed to cooperate with and assist the division in developing rules ~~and regulations~~ in the respective areas of health and education.

(4) In developing these rules ~~and regulations~~, the division shall consult with such other agencies, organizations, or individuals as it shall deem appropriate.

SECTION 2278. The introductory language of Arkansas Code § 20-78-206(b), concerning the rules of the Division of Child Care and Early Childhood Education under the Child Care Facility Licensing Act, is amended to read as follows:

(b) In establishing requirements and standards for the granting, revocation, refusal, and suspension of a license for a child care facility, the division shall adopt such rules ~~and regulations~~ as will:

SECTION 2279. Arkansas Code § 20-78-206(e), concerning the rules of the Division of Child Care and Early Childhood Education under the Child Care

Facility Licensing Act, is amended to read as follows:

(e) All rules ~~and regulations~~ promulgated pursuant to this section shall be reviewed by the Senate Interim Committee on Children and Youth or an appropriate subcommittee thereof and the Subcommittee on Children and Youth of the House Committee on Aging, Children and Youth, Legislative and Military Affairs.

SECTION 2280. Arkansas Code § 20-78-206(f)(1), concerning the rules of the Division of Child Care and Early Childhood Education under the Child Care Facility Licensing Act, is amended to read as follows:

(f)(1) Any person with reasonable cause to suspect that a child care facility has violated any provision of this subchapter or any rule ~~or regulation~~ of the division may immediately notify the Department of Human Services.

SECTION 2281. Arkansas Code § 20-78-207 is amended to read as follows:

20-78-207. Declaratory judgments on licensing rules ~~or regulations~~.

Any rule ~~or regulation~~ promulgated by the Division of Child Care and Early Childhood Education of the Department of Human Services under authority of § 20-78-206 or under any other child care facility licensing law shall, at the suit of any interested person instituted in the Pulaski County Circuit Court, be subject to remedies provided by law for obtaining declaratory judgments. However, the division must be named a party defendant and summoned as in an action by ordinary proceedings.

SECTION 2282. Arkansas Code § 20-78-209(b)(4), concerning religious exceptions for licenses under the Child Care Facility Licensing Act, is amended to read as follows:

(4) Standards for corporal punishment shall be as established by present ~~regulations~~ rules unless alternative compliance is granted by the division.

SECTION 2283. Arkansas Code § 20-78-209(c)(3), concerning religious exceptions for licenses under the Child Care Facility Licensing Act, is amended to read as follows:

(3) Challenge to the constitutionality or reasonableness of any

~~regulation~~ rule or statute may be made prior to any appeal under the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 2284. Arkansas Code § 20-78-210(c), concerning the application and issuance of a license under the Child Care Facility Licensing Act, is amended to read as follows:

(c) If an applicant meets the requirements of this subchapter and the published rules ~~and regulations~~ of the division regarding minimum standards for a child care facility, then the applicant shall be granted a license by the division as a child care facility. This license shall continue in effect until revoked or suspended as provided in this subchapter.

SECTION 2285. Arkansas Code § 20-78-211(c), concerning the issuance of a provisional license under the Child Care Facility Licensing Act, is amended to read as follows:

(c) Issuance of provisional licenses shall be in accordance with the published rules ~~and regulations~~ adopted by the division in accordance with this subchapter.

SECTION 2286. Arkansas Code § 20-78-213(a), concerning the denial, revocation, or suspension of a license under the Child Care Facility Licensing Act, is amended to read as follows:

(a) The Division of Child Care and Early Childhood Education of the Department of Human Services shall have the power to deny, revoke, or suspend a license for a child care facility if an applicant or licensee has failed to comply with the provisions of this subchapter or any published rule ~~or regulation~~ of the division, subject to appeal before the Child Care Appeal Review Panel.

SECTION 2287. Arkansas Code § 20-78-214(a), concerning the inspection and investigation of child care facilities and personnel for child abuse under the Child Care Facility Licensing Act, is amended to read as follows:

(a) The Division of Child Care and Early Childhood Education of the Department of Human Services or any other agency of the State of Arkansas which the division asks to assist it is authorized to make an inspection and investigation of any proposed or operating child care facility and of any

personnel connected with that child care facility to the extent that an inspection and investigation is required to determine whether this child care facility will be or is being operated in accordance with this section and with the published rules ~~and regulations~~ of the division for child care facilities.

SECTION 2288. Arkansas Code § 20-78-215(a)(2), concerning federal funds to reduce the incidence of child sexual abuse under the Child Care Facility Licensing Act, is amended to read as follows:

(2) Specifically, ~~regulations~~ rules promulgated by the Director of the Department of Human Services pursuant to this section may address federally mandated requirements for employment history and background checks and nationwide criminal record checks, as may be necessary in accordance with the provisions of Pub. L. No. 92-544, for all operators, staff, or employees, or prospective operators, staff, or employees of the child care facilities or programs as defined in this section.

SECTION 2289. Arkansas Code § 20-78-215(b), concerning federal funds to reduce the incidence of child sexual abuse under the Child Care Facility Licensing Act, is amended to read as follows:

(b) In order to enable the State of Arkansas to fully participate and share in federal funds made available to the states through the Social Services Block Grant Act, or otherwise for the purposes of reducing and eliminating the incidence of child sexual abuse in child care facilities, as defined in § 20-78-202(2), the director is authorized at his or her discretion to promulgate, pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq., rules ~~and regulations~~ implementing such federal requirements as may be placed upon the states to qualify for the funds.

SECTION 2290. Arkansas Code § 20-78-216 is amended to read as follows:

20-78-216. Records and reports.

The Division of Child Care and Early Childhood Education of the Department of Human Services may by published rules ~~and regulations~~ require that a licensed child care facility keep and make available to the division records and periodic reports as shall be necessary to assist the division in determining whether the requirements of this subchapter and of the division's

rules ~~and regulations~~ regarding child care facilities are being complied with.

SECTION 2291. Arkansas Code § 20-78-217(b), concerning smoking prohibitions under the Child Care Facility Licensing Act, is amended to read as follows:

(b) The division is directed to promulgate sufficient ~~regulations~~ rules to ensure that state licensing requirements for day care center operations contain a stipulation which bans smoking within the physical confines of each day care center.

SECTION 2292. Arkansas Code § 20-78-218 is amended to read as follows:

20-78-218. Administration of subchapter.

The Division of Child Care and Early Childhood Education of the Department of Human Services shall continue to be the administrative agency to administer the provisions of this subchapter in accordance with the rules~~, regulations,~~ and standards for the licensing and operation of child care facilities as promulgated by the division.

SECTION 2293. Arkansas Code § 20-78-219(b)(2), concerning fines and penalties under the Child Care Facility Licensing Act, is amended to read as follows:

(2) Subject to those rules ~~and regulations~~ as may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Human Services is authorized to transfer all unexpended funds relative to the fines and penalties collected from child care facilities as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 2294. Arkansas Code § 20-78-221(b)-(e), concerning voluntary registry of day care family homes under the Child Care Facility Licensing Act, are amended to read as follows:

(b) Procedure for Registration. Day care family homes exempt from licensure may voluntarily register the home with the registry established, operated, and maintained by the division. A person wishing to participate in

the voluntary registry shall make an application to the division. Upon receipt of the application, the division shall review the applicant's written application, qualifications, and proposed operation to determine compliance with registry rules ~~and regulations~~. The division shall issue a certificate of registration to the applicant which authorizes the applicant to operate a registered day care family home only upon final determination of an applicant's compliance with the rules ~~and regulations~~ established for registration.

(c) Rules ~~and Regulations~~.

(1) The division is authorized to establish rules ~~and regulations~~ that a day care family home shall meet in order to be registered by the Department of Human Services.

(2) The division shall have the right to enter and inspect a registered day care family home if there is reason to believe that the home is in violation of the registry rules ~~and regulations~~ and to ensure compliance with the rules ~~and regulations~~ established by the division.

(d) Removal or Denial of Registration. If after review of the submitted application, it is determined that the day care family home is not in compliance with the rules ~~and regulations~~ for the registry as established by the division, the division shall immediately deny or remove the home from the registry. Upon removal from the registry, a day care family home may no longer be considered a registered home.

(e) Right to Appeal.

(1) A person whose registration has been denied or who is removed from the voluntary registry due to violation of rules ~~and regulations~~ may appeal the action to the department in accordance with Arkansas law and state rules ~~and regulations~~.

(2) The appeal does not stay the denial or removal from the registry.

SECTION 2295. Arkansas Code § 20-78-221(f)(2), concerning voluntary registry of day care family homes under the Child Care Facility Licensing Act, is amended to read as follows:

(2) The division shall have the right to investigate and inspect the premises when there is reason to believe that violations exist and to make sure that the home is still in compliance with the rules ~~and regulations~~

established for the voluntary registry of day care family homes.

SECTION 2296. Arkansas Code § 20-78-501(f)(1), concerning the creation of the Arkansas Early Childhood Commission, is amended to read as follows:

(f)(1) The members of the commission shall serve without compensation or per diem but shall be entitled to reimbursement for actual expenses incurred in the performance of duties as members of the commission. Expense reimbursement shall be in accordance with state travel and official business expense reimbursement procedures and ~~regulations~~ rules.

SECTION 2297. Arkansas Code § 20-78-505(a), concerning annual reports of loan guarantees by the Division of Child Care and Early Childhood Education of the Department of Human Services, is amended to read as follows:

(a) The Division of Child Care and Early Childhood Education of the Department of Human Services is authorized to develop and implement, with the technical assistance of the Arkansas Early Childhood Commission, necessary rules ~~and regulations~~ to receive, review, and approve applications for loan deficiency guarantee assistance for expansion or development of child care facilities in this state.

SECTION 2298. Arkansas Code § 20-79-102 is amended to read as follows:

20-79-102. Caseworkers for the blind.

The deputy director of the appropriate division of the Department of Human Services is authorized and empowered to employ caseworkers for the blind, prepare ~~regulations~~ rules governing personnel standards, define the duties of the caseworkers for the blind, and make such other ~~regulations~~ rules as may be necessary to carry out the purpose of this section.

SECTION 2299. Arkansas Code § 20-79-204(b)(1), concerning the duties of the deputy director supervising the Arkansas Rehabilitation Services, is amended to read as follows:

(1) Shall, with the approval of the Director of the Department of Human Services, prepare ~~regulations~~ rules for promulgation by the appropriate division of the department governing personnel standards, the protection of records and confidential information, the manner and form of filing applications, eligibility, and investigation and determination

thereof, for rehabilitation services, procedures for fair hearings, and such other ~~regulations~~ rules as he or she finds necessary to carry out the purposes of this subchapter, including the order to be followed in selecting those to whom rehabilitation services are to be provided in situations where service cannot be provided to all who are eligible for service;

SECTION 2300. Arkansas Code § 20-79-204(b)(5) and (6), concerning the duties of the deputy director supervising the Arkansas Rehabilitation Services, are amended to read as follows:

(5) Shall make certification for disbursement, in accordance with ~~regulations~~ rules, of funds available for carrying out the purposes of this subchapter; and

(6) May, with the approval of the director, delegate to any officer or employee of the Arkansas Rehabilitation Services such of his or her powers and duties, except the making of ~~regulations~~ rules and the making of recommendations for appointment of personnel, as he or she finds necessary to carry out the purposes of this subchapter.

SECTION 2301. Arkansas Code § 20-79-205(4), concerning administration of the Arkansas Rehabilitation Services, is amended to read as follows:

(4) To license blind persons to operate vending stands under its supervision and control and subject to the terms and conditions in ~~regulations~~ rules issued pursuant to § 20-79-204(b)(1) on:

(A) State property;

(B) County or municipal property;

(C) Federal property, pursuant to delegation of authority under the Randolph-Sheppard Act and any amendment thereto or any act of Congress relating to this subject;

(D) Private property; and

(E) Subject to Acts 1945, No. 142, § 2 [superseded]; and

SECTION 2302. Arkansas Code § 20-79-206(b), concerning operation of rehabilitation facilities by the Arkansas Rehabilitation Services, is amended to read as follows:

(b) Gifts, grants, fees for services, income from the sale of products or items of manufacture or handwork, and donations may be deposited into one

(1) or more banks and expended by the appropriate division of the Department of Human Services, in compliance with the rules ~~and regulations~~ of the Director of the Department of Finance and Administration, in the establishment and operation of rehabilitation facilities and such other program services as may be determined by the appropriate division of the Department of Human Services, which are consistent with the purposes of this subchapter.

SECTION 2303. Arkansas Code § 20-79-215 is amended to read as follows:

20-79-215. Hearings.

Any individual applying for or receiving rehabilitation who is aggrieved by any action or inaction of the Arkansas Rehabilitation Services shall be entitled to a hearing in accordance with the ~~regulations~~ rules adopted and promulgated by the appropriate division of the Department of Human Services on that subject.

SECTION 2304. Arkansas Code § 20-79-216 is amended to read as follows:

20-79-216. Use of Arkansas Rehabilitation Services information prohibited — Exception.

It shall be unlawful, except for purposes directly connected with the administration of the Arkansas Rehabilitation Services and in accordance with ~~regulations~~ rules, for any person to solicit, disclose, receive, or make use of, or to authorize, knowingly permit, participate in, or acquiesce in the use of any list of, or name of, or any information concerning persons applying for or receiving rehabilitation, directly or indirectly derived from the records.

SECTION 2305. Arkansas Code § 20-79-303(b), concerning the administration of the Technology Equipment Revolving Loan Fund by the Arkansas Rehabilitation Services, is amended to read as follows:

(b) The Arkansas Rehabilitation Services shall submit to the Technology Equipment Revolving Loan Fund Committee proposed rules ~~and regulations~~ governing the operation of the fund, including, but not limited to, eligibility for receipt of funds, purposes for which funds may be available, repayment of funds, administrative adjudications in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., and all

other matters consistent with and necessary to accomplish the purposes as set out in this subchapter.

SECTION 2306. Arkansas Code § 20-79-401(a)(2)(B), concerning the establishment of a statewide program to provide access to public telecommunication services to individuals with disabilities, is amended to read as follows:

(B) The promulgation of procedures, ~~regulations,~~ rules, and criteria necessary to implement and administer this program, including accountability measures which utilize consumer participation in the selection and evaluation of equipment and the eligibility of applicants; and

SECTION 2307. Arkansas Code § 20-79-402(b)(1), concerning eligiblity for the equipment distribution program of the Arkansas Rehabilitation Services, is amended to read as follows:

(b)(1) The Arkansas Rehabilitation Services shall also consider financial need and, in so doing, shall take into account financial need standards or other means tests applicable to other programs administered by the Arkansas Rehabilitation Services when promulgating procedures, ~~regulations,~~ rules, and criteria necessary to implement and administer the program.

SECTION 2308. Arkansas Code § 20-80-311 is amended to read as follows:

20-80-311. Funding — Antipoverty programs.

State funds appropriated by the General Assembly to the appropriate division of the Department of Human Services for payments to be made to recognize community action agencies in accordance with this subchapter shall be used by the agencies for funding antipoverty programs designated by state ~~regulations~~ rules.

SECTION 2309. Arkansas Code § 20-80-411(c), concerning restrictions and taxes under the Commissioner of State Lands Urban Homestead Act, is amended to read as follows:

(c) Upon transferring the land to the eligible person, the homestead will be treated as any other private residence and subject to all laws, rules, and regulations of the government, including the payment of real

property taxes.

SECTION 2310. Arkansas Code § 20-81-102(c), concerning the creation, powers, and duties of the Department of Veterans Affairs, is amended to read as follows:

(c) The department is authorized to develop and promulgate all rules ~~and regulations~~ necessary for the enforcement and implementation of the provisions of this act and all applicable federal rules and regulations.

SECTION 2311. Arkansas Code § 20-83-107 is amended to read as follows:

20-83-107. Rules ~~and regulations~~.

To the extent that funds are available, the Department of Health is authorized to enforce this subchapter and to promulgate necessary rules ~~and regulations~~ to implement this subchapter.

SECTION 2312. Arkansas Code § 20-86-109(f), concerning matching funds under the Family Savings Initiative Act, is amended to read as follows:

(f) The Department of Finance and Administration shall promulgate any ~~regulations~~ rules necessary to carry out the provisions of this section.

SECTION 2313. Arkansas Code § 21-1-103(d), concerning the state employee service recognition program, is amended to read as follows:

(d) The Chief Fiscal Officer of the State shall promulgate reasonable rules ~~and regulations~~ as he or she deems necessary in carrying out the provisions of this service recognition program.

SECTION 2314. Arkansas Code § 21-1-404(a), concerning authorization of the Director of the Department of Finance and Administration to promulgate rules, is amended to read as follows:

(a) The Director of the Department of Finance and Administration is authorized to promulgate and implement any necessary rules~~, regulations,~~ or policies to ensure compliance with this subchapter subject to the prior review and approval of the Joint Budget Committee during legislative sessions and the Legislative Council between legislative sessions.

SECTION 2315. Arkansas Code § 21-1-405(b), concerning violations of

disclosure rules by constitutional officers and their spouses, is amended to read as follows:

(b) The violation of any rule~~, regulation,~~ or policy promulgated by the Department of Finance and Administration under this subchapter or the failure of a constitutional officer or spouse of a constitutional officer to disclose his or her interest in any contract, grant, or lease agreement or in any subcontract, subgrant, or assignment of lease as required by this subchapter or as required by any rule~~, regulation,~~ or policy of the department shall be grounds for voiding the contract, grant, lease agreement, subcontract, subgrant, or lease assignment, and the constitutional officer or spouse may be required to refund any moneys received thereunder.

SECTION 2316. Arkansas Code § 21-1-602(6), concerning the definition of "violation" under the Arkansas Whistle-Blower Act, is amended to read as follows:

(6) "Violation" means an infraction or a breach which is not of a merely technical or minimal nature of a state statute or ~~regulation~~ rule, of a political subdivision ordinance or regulation, or of a code of conduct or code of ethics designed to protect the interest of the public or a public employer;

SECTION 2317. Arkansas Code § 21-3-301 is amended to read as follows:

21-3-301. Uniform Classification and Compensation Act ~~regulations~~ rules.

Any requirement~~,~~ or rule~~, or regulation~~ set up for the purpose of selecting employees paid in whole or in part with state funds for positions subject to the Uniform Classification and Compensation Act, § 21-5-201 et seq., shall include ~~regulations~~ rules under this subchapter.

SECTION 2318. Arkansas Code § 21-3-802(a), concerning the recruitment of retired employees, is amended to read as follows:

(a) The Department of Finance and Administration shall promulgate ~~regulations~~ rules providing for the recruitment of retired members of the Arkansas Public Employees' Retirement System to return to employment for the state.

SECTION 2319. Arkansas Code § 21-4-403(b), concerning the determination of amount of leave and rate of pay under the Uniform Attendance and Leave Policy Act, is amended to read as follows:

(b)(1) The number of days of accumulated leave of any deceased employee shall be determined on the basis of the written rules, ~~regulations,~~ resolutions, or policies promulgated by the agency or department head or by the board or commission.

(2) Each agency, department head, board, or commission shall keep complete records of the vacations taken and accrued vacation time as provided by its rules, ~~regulations,~~ resolutions, or policies.

SECTION 2320. Arkansas Code § 21-4-501(c), concerning compensation for unused sick leave at retirement, is amended to read as follows:

(c) The Office of Personnel Management shall promulgate ~~regulations~~ rules necessary to implement this subchapter.

SECTION 2321. Arkansas Code § 21-5-102(c), concerning automobile insurance expenses for employees of the Department of Health, is amended to read as follows:

(c) All other costs to an employee for operating a personal vehicle on state business will be considered to be covered by the approved reimbursement rate per mile as prescribed in state travel ~~regulations~~ rules promulgated by the Department of Finance and Administration.

SECTION 2322. Arkansas Code § 21-5-405(b)(4)(B)(ii), concerning additional duties of the State and Public School Life and Health Insurance Board, is amended to read as follows:

(ii) Agree to rules of program participation as stated in the policies adopted by the board and as defined in the ~~regulations~~ rules and procedures issued by the Executive Director of the Employee Benefits Division of the Department of Finance and Administration, including without limitation timely eligibility reporting, prepayment of insurance premiums, actuarial adjustment for new enrollees, and any other requirements deemed necessary by the board;

SECTION 2323. Arkansas Code § 21-5-502 is amended to read as follows:

21-5-502. Applicability.

This subchapter shall apply to all deferred compensation plans adopted by agencies subsequent to March 28, 1970, which shall all be subject to the rules ~~and regulations~~ issued by the Department of Finance and Administration under the authority granted in this subchapter.

SECTION 2324. Arkansas Code § 21-5-506(b), concerning the administration of the state government employees' deferred compensation program, is amended to read as follows:

(b) The administrator of the deferred compensation program is authorized and empowered to promulgate any and all ~~regulations~~ rules deemed necessary to carry out the intent and purposes of this subchapter.

SECTION 2325. Arkansas Code § 21-5-607 is amended to read as follows:

21-5-607. Claim, review, and appeal procedures.

To the extent not in conflict with this subchapter, the method and procedure of filing claims on behalf of the public employee and the review and appeal of compensation orders or awards of the Workers' Compensation Commission shall be the same as those provided by law and the rules ~~and regulations~~ of the commission, with respect to claims filed by private employers and employees.

SECTION 2326. Arkansas Code § 21-5-703(a), concerning the procedure for filing claims before the Arkansas State Claims Commission, is amended to read as follows:

(a) All claimants shall be subject to the same rules ~~and regulations~~ as are provided by the law governing procedure before the Arkansas State Claims Commission.

SECTION 2327. Arkansas Code § 21-5-904(a), concerning administration of cafeteria plans on behalf of state employees, is amended to read as follows:

(a) The Executive Director of the Employee Benefits Division of the Department of Finance and Administration shall have administrative responsibility for developing, implementing, and maintaining cafeteria plans on behalf of state employees and may promulgate necessary rules ~~and~~

~~regulations~~ as he or she deems necessary to carry out the provision of this section.

SECTION 2328. Arkansas Code § 21-7-402(c)(2), concerning publication of annual and biennial reports, is amended to read as follows:

(2) Copies of the reports shall be made available to the maximum extent practicable, upon request therefor, but the Arkansas State Library may provide, by rules ~~and regulations~~, for recovery of the costs of reproduction.

SECTION 2329. Arkansas Code § 21-8-304(b), concerning prohibited activities of public servants, is amended to read as follows:

(b) No public servant shall accept employment or engage in any public or professional activity while serving as a public official which he or she might reasonably expect would require or induce him or her to disclose any information acquired by him or her by reason of his or her official position that is declared by law or ~~regulation~~ rule to be confidential.

SECTION 2330. Arkansas Code § 21-8-402(1)(A), resulting from Initiated Act 1 of 1988 and concerning the definition of "administrative action" under the laws governing ethics and conflicts of interest, is amended to read as follows:

(1)(A) "Administrative action" means any decision on, or proposal, consideration, or making of any rule, ~~regulation,~~ ratemaking proceeding, or policy action by a governmental body.

SECTION 2331. Arkansas Code § 21-8-407 is amended to read as follows:

21-8-407. Gifts of art.

Any work of art contracted for prior to January 1, 1998, for public service recognition for members of the General Assembly shall not be a gift under § 21-8-402 nor shall it be deemed an unlawful gift under any other statute or ~~regulation~~ rule.

SECTION 2332. Arkansas Code § 21-8-601(a)(3)(F), resulting from Initiated Act 1 of 1988 and concerning registration as a lobbyist, is amended to read as follows:

(F) Assisting an executive agency, at the written request

of the agency, in drafting administrative ~~regulations~~ rules or in publicizing or assisting in the implementation of final administrative actions;

SECTION 2333. Arkansas Code § 21-11-101(6), concerning the definition of "employee" under the laws addressing the Employee Suggestion System, is amended to read as follows:

(6) Those other employees designated as excluded from the provisions of this chapter by the rules ~~and regulations~~ established by the Personnel Director.

SECTION 2334. Arkansas Code § 21-11-104 is amended to read as follows:

21-11-104. Rules ~~and regulations~~ — Procedure for submission of suggestions.

(a) The Director of the Department of Finance and Administration, or his or her designee, is directed to develop and adopt rules ~~and regulations~~ in accordance with this chapter for the administration of the Employee Suggestion System.

(b)(1) The rules shall provide for the direct submission of all suggestions to the Office of Personnel Management's Employee Suggestion System for determination of eligibility under the rules ~~and regulations~~ as authorized in this section.

(2) Eligible suggestions will be forwarded to the director, or to the director's designated representative, for evaluation of proper merit.

(3) The names of individuals who make suggestions shall be kept confidential unless such person is granted an award under this chapter.

SECTION 2335. Arkansas Code § 21-13-107(b)(3)(A)(ii), concerning meals, lodging, and transportation reimbursement for state or local volunteers, is amended to read as follows:

(ii) Rates or amounts of such reimbursement shall not exceed the allowances provided under applicable state travel ~~regulation~~ rules for state departments or under applicable travel ~~regulations~~ rules with respect to volunteer services rendered departments of political subdivisions and school districts.

SECTION 2336. Arkansas Code § 21-13-107(b)(3)(B), concerning meals,

lodging, and transportation reimbursement for state or local volunteers, is amended to read as follows:

(B) Volunteers may utilize department vehicles in the performance of their duties, subject to the rules ~~and regulations~~ governing use of state vehicles by paid staff.

SECTION 2337. Arkansas Code § 21-13-109(a), concerning recognition of employment experience, is amended to read as follows:

(a) Each department which utilizes the services of volunteers may recognize prior volunteer service as partial fulfillment of state employment requirements for training and experience established under applicable personnel rules ~~and regulations~~.

SECTION 2338. Arkansas Code § 21-13-111(a)(1)(A), concerning state income tax deductions, is amended to read as follows:

(1)(A) A deduction for mileage for necessary travel in connection with voluntary service to a department, at the rate provided by law or appropriate travel ~~regulation~~ rule applicable to travel made by paid employees of a department for a volunteer who uses his or her personal motor vehicles for official travel, for which the volunteer has not received reimbursement from public funds; and

SECTION 2339. Arkansas Code § 21-14-114 is amended to read as follows:

21-14-114. Rules ~~and regulations~~.

The Secretary of State may promulgate rules ~~and regulations~~ necessary to administer this chapter.

SECTION 2340. Arkansas Code § 21-15-106(a), concerning rules adopted requiring criminal background checks, is amended to read as follows:

(a) All state agencies with a designated position or a designated financial or information technology position shall adopt the necessary rules ~~and regulations~~ to fully implement the provisions of this subchapter.

SECTION 2341. Arkansas Code § 22-2-105(b), concerning the duties of the Director of the Department of Finance and Administration, is amended to read as follows:

(b) The director shall be responsible for administering the rules~~, regulations,~~ and policies adopted by the Department of Finance and Administration pursuant to the provisions of this chapter.

SECTION 2342. Arkansas Code § 22-2-107(a)(3)(B), concerning the creation of sections within the Building Authority Division of the Department of Finance and Administration, is amended to read as follows:

(B) Encourage, within the rules ~~and regulations~~ of the state, the timely and expedient commitment and expenditure of appropriations for capital improvements;

SECTION 2343. Arkansas Code § 22-2-107(a)(4)(F), concerning the creation of sections within the Building Authority Division of the Department of Finance and Administration, is amended to read as follows:

(F) Carry out and administer those duties and responsibilities involving the purchase or sale of property by state agencies that are under the jurisdiction of the division so as to ensure that the property is sold or purchased in a manner consistent with Arkansas laws and ~~regulations~~ rules.

SECTION 2344. Arkansas Code § 22-2-108(16), concerning the powers and duties of the Building Authority Division of the Department of Finance and Administration, is amended to read as follows:

(16) To promulgate reasonable rules~~, regulations,~~ and procedures as may be required to carry out its duties, responsibilities, powers, and authorities under this chapter which are consistent with the purposes and intent of this chapter.

SECTION 2345. Arkansas Code § 22-2-113(a)(10), concerning the Building Authority Division of the Department of Finance and Administration schedule of supervision, is amended to read as follows:

(10) Otherwise take such action as may be necessary to carry out the policies, standards, criteria, and other rules ~~and regulations~~ as may be adopted or promulgated by the director to implement the provisions of this chapter.

SECTION 2346. Arkansas Code § 22-3-217(a)(1), concerning rules about the Capitol Hill Building, is amended to read as follows:

(a)(1) Any rules~~, regulations,~~ or modifications concerning the use, management, or authorities of the Capitol Hill Building shall be reviewed and approved by the Joint Interim Committee on Legislative Facilities.

SECTION 2347. Arkansas Code § 22-3-305(c), concerning the Capitol Zoning District Commission master plan, is amended to read as follows:

(c) The master plan should include, among other things, ~~regulations~~ rules relative to the location and character of roads and other transportation routes, utility services, parks, buildings, and other construction within the district.

SECTION 2348. Arkansas Code § 22-3-306(d), concerning Capitol Zoning District Commission authority over property within the Capitol Zoning District, is amended to read as follows:

(d) Within the district, a legally existing use, building, or structure that exists at the time of the adoption of the plans and ~~regulations~~ rules authorized by this subchapter, but not in conformity with such plans and ~~regulations~~ rules, may be continued but shall not be extended or structurally altered without the approval of the commission.

SECTION 2349. Arkansas Code § 22-3-307 is amended to read as follows:

22-3-307. Adoption of rules ~~and regulations~~ by Capitol Zoning District Commission.

(a) The Capitol Zoning District Commission shall have the power and authority to prescribe such rules ~~and regulations~~ concerning procedure before it and concerning the exercise of its functions and duties as it shall deem proper.

(b) Prior to the adoption of any zoning ~~regulations~~ rules or amendments thereto, the commission shall hold a public hearing thereon pursuant to the ~~regulations~~ rules of the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 2350. Arkansas Code § 22-3-308(b)(3)(A), concerning coordination by the Capitol Zoning District Commission with other agencies,

is amended to read as follows:

(3)(A) A violation of the commission's ~~regulations~~ rules is enforceable in Little Rock District Court in the same manner as the enforcement of a violation of a municipal ordinance.

SECTION 2351. Arkansas Code § 22-3-309(a), concerning the Capitol Zoning District Commission's power to institute and defend legal actions, is amended to read as follows:

(a) The Capitol Zoning District Commission shall constitute a body corporate for purposes of instituting and defending litigation to enforce its rules~~, regulations,~~ decisions, and orders; and it may, in its name, institute or defend actions in its own behalf, or in behalf of the owner or owners of any property within the district, to enjoin any breach or violation thereof.

SECTION 2352. Arkansas Code § 22-3-310(a)(1)(A), concerning appeals of Capitol Zoning District Commission actions, is amended to read as follows:

(a)(1)(A) Any person aggrieved by any rule, ~~regulation,~~ decision, or order of the Capitol Zoning District Commission may appeal the action to the Director of the Department of Arkansas Heritage.

SECTION 2353. Arkansas Code § 22-3-310(b) and (c), concerning appeals of Capitol Zoning District Commission actions, are amended to read as follows:

(b) The filing of an appeal shall in no respect suspend the operation of any rule, ~~regulation,~~ decision, or order, nor shall the director or the Pulaski County Circuit Court order any suspension without a full hearing.

(c) This section does not preclude enforcement of the commission's ~~regulations~~ rules by the City of Little Rock in Little Rock District Court under an agreement with the commission under § 22-3-308.

SECTION 2354. Arkansas Code § 22-3-401(a), concerning establishing traffic control and parking rules on State Capitol grounds, is amended to read as follows:

(a) The purpose of this subchapter is to establish a system of traffic control and parking ~~regulations~~ rules governing the drives and parking areas on the State Capitol grounds and other drives and parking areas in the

custody of or leased by the Secretary of State or the Building Authority Division of the Department of Finance and Administration.

SECTION 2355. Arkansas Code § 22-3-403(a), concerning penalties for violating traffic control and parking rules on State Capitol grounds, is amended to read as follows:

(a) Any person, including an employee of the State of Arkansas, found guilty of violating the provisions of this subchapter or the traffic and parking rules ~~and regulations~~ of the Capitol Parking Control Committee shall be guilty of a misdemeanor and upon conviction shall be fined in an amount of not less than five dollars ($5.00) nor more than twenty-five dollars ($25.00).

SECTION 2356. Arkansas Code § 22-3-406 is amended to read as follows:

22-3-406. Capitol Parking Control Committee — Powers and duties.

Upon the passage of this subchapter, the Capitol Parking Control Committee shall proceed to study the traffic conditions on the drives of the State Capitol grounds and shall make a study of the existing and anticipated needs for parking space on the State Capitol grounds and other parking lots and drives leased by or in the custody of the Secretary of State or the Building Authority Division of the Department of Finance and Administration. Upon completion of the study, the committee shall establish rules ~~and regulations~~ and shall amend or change them from time to time as deemed necessary in the following manner:

(1) Establish maximum speed limits for motor vehicles traveling upon the regulated streets and drives;

(2) Direct the flow of traffic on the regulated streets and drives;

(3) Prohibit the parking, during normal business hours, of motor vehicles on the regulated streets and drives;

(4) Establish or assign parking spaces that shall be available for use as designated by the various offices or persons working in the State Capitol Building or in any of the other buildings on the State Capitol grounds and regulate parking by elected officials in the spaces set aside for that purpose; and

(5) Do all other things reasonable and necessary to properly

regulate and control the flow of traffic on the State Capitol grounds and to provide parking facilities for use by the public on the grounds.

SECTION 2357. Arkansas Code § 22-3-502(b), concerning the creation of the Capitol Arts and Grounds Commission, is amended to read as follows:

(b) Members of the commission shall serve without pay, but they shall be reimbursed by funds of the Secretary of State for reasonable and necessary expenses in attending commission meetings and in the performance of duties of the commission if funds are provided for the reimbursement in accordance with the rate prescribed for state employees in state travel ~~regulations~~ rules.

SECTION 2358. Arkansas Code § 22-3-504(b)(3), concerning requests for approval for capital improvement projects on State Capitol grounds, is amended to read as follows:

(3) Sufficient information to demonstrate consistency of the project with zoning ~~regulations~~ rules of the Capitol Zoning District Commission.

SECTION 2359. Arkansas Code § 22-3-906(a), concerning the custodian of property held in the name of the Building Authority Division of the Department of Finance and Administration, is amended to read as follows:

(a) The Director of the Department of Finance and Administration shall be the custodian of all property held in the name of the Building Authority Division of the Department of Finance and Administration, shall be its disbursing agent and executive officer, and shall administer the provisions of this subchapter and the rules~~, regulations,~~ and orders established thereunder.

SECTION 2360. Arkansas Code § 22-3-1303(c), concerning the preference to blind persons to operate vending facilities on state property, is amended to read as follows:

(c) It shall be the duty of state agency administrators to negotiate and cooperate in good faith to accomplish the purpose of this subchapter to ensure that vending facilities operated on state property provide employment opportunities for the blind. Upon request of the licensing agency, state agency administrators shall prescribe ~~regulations~~ rules designed both to

assure that these facilities benefit the blind and to assure preference for licensed blind operators.

SECTION 2361. Arkansas Code § 22-3-1503 is amended to read as follows:

22-3-1503. Parking ~~regulation~~ rules.

The Building Authority Division of the Department of Finance and Administration shall develop parking ~~regulations~~ rules which will maintain equitable parking among the state agency tenants in the area described in § 22-3-1501 and for the public and may establish reasonable rental or other charges for parking therein. The State Capitol Police shall provide the necessary traffic patrols and policing of the parking facility.

SECTION 2362. Arkansas Code § 22-3-1704(c), concerning the obligation to fund the Arkansas Fallen Firefighters' Memorial, is amended to read as follows:

(c) The board shall comply with the rules ~~and regulations~~ of the Capitol Arts and Grounds Commission regarding creation of a maintenance fund.

SECTION 2363. Arkansas Code § 22-3-2009(a), concerning rules adopted for the operation and maintenance of energy conservation measures in public buildings, is amended to read as follows:

(a) The Arkansas Pollution Control and Ecology Commission shall promulgate ~~regulations~~ rules for the implementation of operation and maintenance energy conservation measures in public buildings.

SECTION 2364. Arkansas Code § 22-3-2009(c), concerning rules adopted for the operation and maintenance of energy conservation measures in public buildings, is amended to read as follows:

(c) The Arkansas Pollution Control and Ecology Commission may promulgate ~~regulations~~ rules to implement this subchapter.

SECTION 2365. Arkansas Code § 22-5-306(e), concerning qualifications and appointment of appraisers by the Commissioner of State Lands, is amended to read as follows:

(e) Each appraiser shall enter into bond to the state in the sum of one thousand dollars ($1,000), to be furnished by a surety company authorized

to do business in the State of Arkansas, conditioned that he or she will faithfully discharge all of his or her duties according to law and the rules ~~and regulations~~ of the State Land Use Committee.

SECTION 2366. Arkansas Code § 22-5-508(a), concerning management of forests by the State Forester, is amended to read as follows:

(a) It shall be the duty of the State Forester, in accordance with the provisions of this subchapter, the rules ~~and regulations~~ promulgated by the Arkansas Forestry Commission, and approved methods of forestry, to manage, control, protect, develop, utilize, and handle the lands in the state forests in such a manner as to best serve the greatest permanent advantage to the people of this state.

SECTION 2367. Arkansas Code § 22-5-509 is amended to read as follows:

22-5-509. Rules ~~and regulations~~.

The Arkansas Forestry Commission is authorized and directed to approve, promulgate, and publish rules ~~and regulations~~, and amendments or modifications thereof, reasonably required in directing and controlling the proper execution of the duties and attaining the objectives of this subchapter. These rules ~~and regulations~~ shall have the force and effect of law.

SECTION 2368. Arkansas Code § 22-5-812 is amended to read as follows:

22-5-812. Leases and permits — Rules ~~and regulations~~.

(a) The Commissioner of State Lands shall promulgate any rules ~~and regulations~~ which may be deemed necessary to carry out the provisions of this section and §§ 22-5-801 — 22-5-811 and 22-5-813.

(b) The Commissioner of State Lands shall include in the rules ~~and regulations~~ all grounds and conditions for the revocation or termination of any lease or permit issued under this section and §§ 22-5-801 — 22-5-811 and 22-5-813 and shall provide for reasonable notice to the lessee or permittee of an opportunity to be heard prior to terminating or revoking any lease or permit.

(c) The Arkansas State Game and Fish Commission shall promulgate rules and regulations necessary to lease mineral rights and to issue permits to produce and sever minerals on commission lands in conformity with the

requirements, procedures, standards, and methods as provided in this section and §§ 22-5-801 — 22-5-811 and 22-5-813.

SECTION 2369. Arkansas Code § 22-6-501(f)(1), concerning the transfer of lands to state institutions, is amended to read as follows:

(1) Whether the prospective purchaser has a pattern or practice of not paying fines resulting from a citation for violation of state laws or ~~regulations~~ rules or local codes and ordinances;

SECTION 2370. Arkansas Code § 22-8-209 is amended to read as follows:

22-8-209. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration, through his or her disbursing officer, is authorized to promulgate such rules ~~and regulations~~ as deemed necessary to implement the provisions and intent of this subchapter.

SECTION 2371. Arkansas Code § 23-1-103(a), concerning compliance with the rules of the Arkansas Public Service Commission, is amended to read as follows:

(a) Every public utility and every person or corporation shall obey and comply with every requirement of this act and of every order, decision, direction, or rule~~, or regulation~~ made or prescribed by the commission in the matters specified or any other matter in any way relating to or affecting the business of any public utility. The commission shall do everything necessary or proper in order to secure compliance with, and observance of, every order, decision, direction, or rule~~, or regulation~~ by all officers, agents, and employees of every public utility.

SECTION 2372. Arkansas Code § 23-2-304(a)(2) and (3), concerning the powers and duties of the Arkansas Public Service Commission, are amended to read as follows:

(2) Determine the reasonable, safe, adequate, and sufficient service to be observed, furnished, enforced, or employed by any public utility and to fix this service by its order, or rule~~, or regulation~~;

(3) Ascertain and fix adequate and reasonable standards, classifications, ~~regulations~~ rules, practices, and services to be furnished,

imposed, observed, and followed by any or all public utilities;

SECTION 2373. Arkansas Code § 23-2-304(a)(5), concerning the powers and duties of the Arkansas Public Service Commission, is amended to read as follows:

(5) Prescribe reasonable ~~regulations~~ rules for the examination and testing of the production, commodity, or service, and, for the measurement thereof, establish or approve reasonable rules, ~~regulations,~~ specifications, and standards to secure the accuracy of all meters or appliances for measurement;

SECTION 2374. Arkansas Code § 23-2-304(a)(8)(A), concerning the powers and duties of the Arkansas Public Service Commission, is amended to read as follows:

(8)(A) Require any or all public utilities to carry a proper and adequate depreciation account in accordance with such rules~~, regulations,~~ and forms of account as the commission may prescribe.

SECTION 2375. Arkansas Code § 23-2-304(a)(10)(B), concerning the powers and duties of the Arkansas Public Service Commission, is amended to read as follows:

(B) Notwithstanding subdivision (a)(10)(A) of this section, release of such information may be made pursuant to subpoena, court order, or other applicable statute~~,~~ or rule~~, or regulation~~; and

SECTION 2376. Arkansas Code § 23-2-405(a), concerning service of process, notices, and complaints by the Arkansas Public Service Commission, is amended to read as follows:

(a) All process issued by the commission shall extend to all parts of the state, and any such process, together with the service of all notices issued by the commission, as well as copies of complaints, rules, and orders~~, and regulations~~ of the commission, may be served by any person authorized to serve process issued out of courts of law, or by mail, as the commission may direct.

SECTION 2377. Arkansas Code § 23-2-420 is amended to read as follows:

23-2-420. Orders, findings, rules, certificates, etc., under Acts 1935, No. 324, to be in writing — Copies as evidence.

(a) Every order, finding, authorization, rule, ~~regulation,~~ or certificate issued or approved by the commission under any provisions of this act shall be in writing and entered on the records of the commission, all of which shall be public records.

(b) A certificate under the seal of the commission that any such order, finding, authorization, rule, ~~regulation,~~ or certificate has not been modified, stayed, suspended, or revoked shall be received as evidence in all courts as to the facts therein stated.

SECTION 2378. Arkansas Code § 23-3-103(a)(2), concerning regulation of stocks, bonds, notes, and the creation of liens by the Arkansas Public Service Commission, is amended to read as follows:

(2) The power of public utilities described in subdivision (a)(1) of this section shall be exercised as provided by law and under such rules ~~and regulations~~ as the Arkansas Public Service Commission may prescribe.

SECTION 2379. Arkansas Code § 23-3-106 is amended to read as follows:

23-3-106. Stocks, bonds, notes, etc. — Disposition of proceeds.

The commission shall have the power to require every public utility, other than municipalities, to account for the disposition of the proceeds of all sales of stocks, bonds, notes, or other evidence of indebtedness, in such form and detail as it may deem advisable. Also, the commission shall have the power to establish such rules ~~and regulations~~ as it may deem necessary to insure the disposition of the proceeds for the purpose specified in its order.

SECTION 2380. Arkansas Code § 23-3-204(b), concerning preliminary orders by the Arkansas Public Service Commission, is amended to read as follows:

(b) The commission may thereupon make an order declaring that it will thereafter, upon application under such rules ~~and regulations~~ as it may prescribe, issue the desired certificate upon the terms and conditions as it may designate after the applicant has obtained the contemplated franchise,

permit, ordinance, vote, or other authority.

SECTION 2381. Arkansas Code § 23-3-303(a), concerning the applicability laws to public utility acquisitions, is amended to read as follows:

(a) If a domestic public utility seeks to acquire control of another domestic public utility which is subject to the Arkansas Public Service Commission's jurisdiction in a transaction described in § 23-3-306 for which the filing of a statement would be required, then an application for approval containing any information which the commission may prescribe by rule ~~or regulation~~ adopted pursuant to this subchapter shall be filed with and heard by the commission after such notice as the commission may prescribe, and the transaction shall be approved or disapproved based upon the factors enumerated in § 23-3-310, subject to judicial review as provided in § 23-3-313, but the other provisions of this subchapter shall not apply to the transaction.

SECTION 2382. Arkansas Code § 23-3-304(b), concerning penalties for violations of the rules imposed by the Arkansas Public Service Commission, is amended to read as follows:

(b) Any person who knowingly violates any rule, ~~regulation,~~ restriction, condition, or order made or imposed by the Arkansas Public Service Commission under authority of this subchapter shall be guilty of a violation and, in addition to any other penalties provided by law, shall be punished upon conviction by a fine not exceeding five hundred dollars ($500) for each day during which such an offense occurs.

SECTION 2383. Arkansas Code § 23-3-305 is amended to read as follows:

23-3-305. Powers of commission.

The Arkansas Public Service Commission shall have power to perform any and all acts, and to prescribe, issue, make, amend, and rescind any orders~~,~~ or rules~~, and regulations~~ which it may find necessary or appropriate to carry out the provisions of this subchapter.

SECTION 2384. Arkansas Code § 23-3-307(a)(10), concerning contents and amendments of statements to be filed with the Arkansas Public Service

Commission, is amended to read as follows:

(10) Any additional information which the commission may by rule ~~or regulation~~ prescribe as necessary or appropriate for the protection of ratepayers of the domestic public utility or in the public interest.

SECTION 2385. Arkansas Code § 23-3-316(a), concerning injunctions and criminal proceedings referred by the Arkansas Public Service Commission, is amended to read as follows:

(a) Whenever it shall appear to the Arkansas Public Service Commission, the Attorney General, or a domestic public utility which reasonably believes itself to be the object of a tender offer or attempt to obtain control as described in § 23-3-306, that any person is engaged or about to engage in any acts or practices which constitute or will constitute a violation of the provisions of this subchapter, or of any rule~~, regulation,~~ or order thereunder, the commission, the Attorney General, or the domestic public utility may bring an action in Pulaski County Circuit Court to enjoin those acts or practices and to enforce compliance with this subchapter or any rule~~, regulation,~~ or order thereunder. Upon a proper showing being made, a temporary restraining order, preliminary injunction, or permanent injunction enjoining any such person and all others acting on behalf of or at the discretion of that person shall be granted without bond.

SECTION 2386. Arkansas Code § 23-4-101(a), concerning the exceptions to the authority of the Arkansas Public Service Commission or the Arkansas Department of Transportation to establish rates, is amended to read as follows:

(a) With respect to the particular public utilities and matters over which each agency has jurisdiction, the Arkansas Public Service Commission or the Arkansas Department of Transportation shall have the power, after reasonable notice and after full and complete hearing, to enforce, originate, establish, modify, change, adjust, and promulgate tariffs, rates, joint rates, tolls, and schedules for all public service corporations, companies, and utilities and all rules ~~and regulations~~ with reference thereto and orders directing the performance of any duties devolving on the company, utility, common carrier, or public service corporation under the terms of this act.

SECTION 2387. Arkansas Code § 23-4-101(c)(1), concerning the exceptions to the authority of the Arkansas Public Service Commission or the Arkansas Department of Transportation to establish rates, is amended to read as follows:

(c)(1) Nothing in this act shall authorize either the commission or the department to make any rule~~, regulation,~~ or order whatever to be effective within the limits of any municipality of this state with reference to any tariff, rate, toll, schedule, duty, or action of any public service corporation, company, or public utility operating within the municipality as a street railroad; telephone company; gas company; pipeline company for transportation of oil, gas, or water; electrical company, for the generation or distribution, sale, or supply of electricity for heat, light, or power; water company; or hydroelectric company.

SECTION 2388. Arkansas Code § 23-4-103 is amended to read as follows:

23-4-103. Rates~~,~~ and rules~~, and regulations~~ to be reasonable.

All rates made, demanded, or received by any public utility, for any product or commodity furnished, or to be furnished, or any service rendered or to be rendered, and all rules ~~and regulations~~ made by any public utility pertaining thereto shall be just and reasonable, and to the extent that the rates~~,~~ or rules~~, or regulations~~ may be unjust or unreasonable, are prohibited and declared unlawful.

SECTION 2389. Arkansas Code § 23-4-106 is amended to read as follows:

23-4-106. Rate schedules — Public inspection.

Every public utility shall keep copies of its rate schedules open to public inspection under such rules ~~and regulations~~ and at such places as the commission may prescribe.

SECTION 2390. Arkansas Code § 23-4-110(c)(1), concerning changes to utility rates and procedures for changes to utility rates, is amended to read as follows:

(c)(1) Whenever there is filed with the regulatory body any schedule proposing a change in any rates, charges, or ~~regulations~~ rules, the regulatory body shall have authority, either upon complaint or upon its own initiative, and upon reasonable notice, to enter upon a hearing concerning

the propriety of the rate, charge, or ~~regulation~~ rule.

SECTION 2391. Arkansas Code § 23-4-110(c)(3), concerning changes to utility rates and procedures for changes to utility rates, is amended to read as follows:

(3) After a full hearing, whether completed before or after the rate, charge, or ~~regulation~~ rule goes into effect, the regulatory body may make such orders in reference to the rate, fare, charge, or ~~regulation~~ rule as shall be deemed proper and just.

SECTION 2392. Arkansas Code § 23-4-209(a)(1), concerning the transition costs incurred by an electric utility, is amended to read as follows:

(a)(1) As used in this section, "transition costs" means those costs, investments, or unfunded mandates, either recurring or nonrecurring, incurred by an electric utility after July 30, 1999, that are found to have been necessary to carry out the electric utility's responsibilities associated with efforts to implement retail open access or were mandated by statute or ~~regulation~~ rule and are not otherwise recoverable.

SECTION 2393. Arkansas Code § 23-4-501(a)(1)(D), concerning the authority to recover costs through interim rate schedule by the Arkansas Public Service Commission, is amended to read as follows:

(D) Are incurred by the public utility to comply with legislative or administrative rules~~, regulations,~~ or requirements;

SECTION 2394. Arkansas Code § 23-4-501(b)(1), concerning the authority to recover costs through an interim rate schedule by the Arkansas Public Service Commission, is amended to read as follows:

(b)(1) A public utility shall be permitted to recover, through an interim surcharge, the allowance for funds used during construction that would otherwise be accrued and capitalized that is incurred during the construction of facilities and equipment required for compliance with such legislative or administrative rules~~, regulations,~~ or requirements, provided that any such allowance for funds used during construction has not been capitalized or otherwise included in the utility's currently effective rates.

SECTION 2395. Arkansas Code § 23-4-507(a)(1), concerning the modification or disapproval of surcharge by the Arkansas Public Service Commission, is amended to read as follows:

(1) The investments or expenses were not reasonably incurred to comply with legislative or administrative rules~~, regulations,~~ or requirements;

SECTION 2396. Arkansas Code § 23-4-709(b)(2) and (3), concerning the rate-making procedure of the Arkansas Department of Transportation, are amended to read as follows:

(2) Shall make rules ~~and regulations~~ as to charges at any and all points for the necessary hauling and delivering of express and freight; and

(3) Will regulate rates and charges for such services on all railroads as, in their judgment, justice to the public and the person or corporation requires and by ~~regulation~~ rule make the rates and charges conform to the requirements of this act.

SECTION 2397. Arkansas Code § 23-4-902 is amended to read as follows:

23-4-902. Exemption from rate case procedures, etc.

A co-op, as defined in § 23-4-901, shall not be subject to rate case procedures and hearings and other requirements of §§ 23-4-402 – 23-4-405, 23-4-407 – 23-4-418, and 23-4-620 – 23-4-634 and Arkansas Public Service Commission ~~regulations~~ rules implementary thereof, hereafter referred to as "rate case procedures", by the commission unless:

(1) By action of its board of directors, the co-op elects to be subject to rate case procedures by the commission;

(2) A proposed change in the co-op's rates and charges exceeds ten percent (10%) of total gross revenues;

(3) Ten percent (10%) of the co-op's member-consumers petition the commission to apply rate case procedures; or

(4) As otherwise provided in this subchapter.

SECTION 2398. Arkansas Code § 23-10-301 is amended to read as follows:

23-10-301. Express and freight rules prescribed by department.

The Arkansas Department of Transportation shall make rules ~~and regulations~~ to be observed by all persons or corporations operating any railroad or engaged in transporting property as express or freight in this state, in respect to the receiving, hauling, transporting, storing, and delivering of freight and express as, in its judgment, the public convenience may require.

SECTION 2399. Arkansas Code § 23-10-406(a), concerning penalties for violations of the rules of the Arkansas Department of Transportation, is amended to read as follows:

(a) If any person or corporation operating a railroad in this state for the transportation of freight, or any receiver, trustee, or lessee of any such person or corporation, or any other person or corporation as defined in § 23-10-402 or its employees or agents violate any of the provisions of §§ 23-10-402, 23-10-403, 23-10-405, and 23-10-409 — 23-10-431, or aid or abet therein, or violate the tariff of charges or the rules of the Arkansas Department of Transportation as fixed by the department regarding railroad companies upon furnishing cars upon application of shippers, and regarding transportation, delivery, and storage of freight, forbidden pooling, discrimination, rebate, drawback, or other similar device, either directly or indirectly, or regarding any of the rules made by the department based upon §§ 23-10-402, 23-10-403, 23-10-405, and 23-10-409 — 23-10-431, and for which there is no other penalty prescribed in §§ 23-10-402, 23-10-403, 23-10-405, and 23-10-409 — 23-10-431, then the person, corporation, receiver, trustee, lessee, or any other person or corporation as defined in § 23-10-402 shall be liable to a penalty of not less than five hundred dollars ($500) nor more than three thousand dollars ($3,000) for each violation of §§ 23-10-402, 23-10-403, 23-10-405, and 23-10-409 — 23-10-431, or of such rules ~~and regulations~~ of the department based upon §§ 23-10-402, 23-10-403, 23-10-405, and 23-10-409 — 23-10-431.

SECTION 2400. Arkansas Code § 23-10-407 is amended to read as follows:

23-10-407. Reasonable rules for transportation of freight permitted.

(a) It shall be lawful for railroads to prescribe rules ~~and regulations~~ for the transportation of merchandise, livestock, and other freight that are reasonable and not inconsistent with the common law or

statutory duties and liabilities of railroads as common carriers.

(b) The reasonableness or unreasonableness of the rules ~~and regulations~~ shall be determined by a jury in all cases where the rules ~~or regulations~~ become an issue before any court.

SECTION 2401. Arkansas Code § 23-10-408(b), concerning contracts or rules abridging liability of railroad void, is amended to read as follows:

(b) All rules ~~and regulations~~ prescribed by any railroad for the transportation of any merchandise, livestock, or other freight which are inconsistent with the common law and statutory duties and liabilities of railroads as common carriers or that in anywise limit or abridge the statutory and common laws and rights of any shipper are declared to be void and shall not be enforced by any of the courts of this state.

SECTION 2402. Arkansas Code § 23-10-415(b), concerning the duty to exchange and return railroad freight cars, is amended to read as follows:

(b) Upon demand of the owner thereof, it shall be the duty of every railroad company receiving the cars of another railroad company to return the cars within a reasonable time after demand therefor and within the time and according to the rules ~~and regulations~~ prescribed by the Arkansas Department of Transportation.

SECTION 2403. Arkansas Code § 23-10-432 is amended to read as follows:

23-10-432. Duty to furnish cars — Reasonable time for requesting cars.

It shall be deemed, prima facie, a reasonable time within which to order cars that any shipper shall give notice thereof to the station agent at the place of shipment, or in his or her absence to the nearest station agent of the railroad company to which the application is made, three (3) days before a shipment of five (5) cars or fewer, and five (5) days for fewer than ten (10) but more than five (5) cars, and eight (8) days for ten (10) cars or more. It shall be the duty of the railroad companies to furnish their station agents with printed blanks upon which shippers may make application for their cars. However, nothing in this section and §§ 23-10-401, 23-10-433 — 23-10-437, and 23-12-605 shall be construed to exempt any railroad company from the obligation to furnish cars for shipment without the written notice, but it shall only be subject to the penalties of §§ 23-10-434 — 23-10-437 for

failure to furnish cars to shippers where notice thereof shall be given in writing or, in case of shipment of freight wholly between points in this state, then in accordance with the rules ~~and regulations~~ of the Arkansas Department of Transportation.

SECTION 2404. Arkansas Code § 23-10-434(a), concerning the liability for failure to furnish or exchange cars by a railroad company, is amended to read as follows:

(a) Every railroad company that, in violation of any of the provisions of this section and §§ 23-10-401, 23-10-432, 23-10-433, 23-10-435 — 23-10-437, and 23-12-605, fails to furnish any cars for the shipment of any freight within a reasonable time or, in case of the shipment of freight between points within this state, within the time prescribed by the Arkansas Department of Transportation if the department shall prescribe the time by rules ~~and regulations~~ as provided in this section and §§ 23-10-401, 23-10-432, 23-10-433, 23-10-435 — 23-10-437, and 23-12-605, and the company fails to do so within a reasonable time, or fails to receive and forward any loaded cars or to exchange cars as provided for in this section and §§ 23-10-401, 23-10-432, 23-10-433, 23-10-435 — 23-10-437, and 23-12-605, that company shall be liable to the shipper or other person injured or damaged thereby for all such injury and damages as may result to the shipper. The railroad company is also liable for all special damages of which it had notice at the time of the shipment or which occurs after written notice thereof, and shall be liable, in addition thereto, for an amount equal to a reasonable attorney's fee, in case suit is brought for recovery of such damages.

SECTION 2405. Arkansas Code § 23-10-434(c), concerning the liability for failure to furnish or exchange cars by a railroad company, is amended to read as follows:

(c) Every railroad company that fails to furnish cars or to exchange cars as required by the provisions of this section and §§ 23-10-401, 23-10-432, 23-10-433, 23-10-435 — 23-10-437, and 23-12-605 or by the rules ~~and regulations~~ of the department as provided in this section and §§ 23-10-401, 23-10-432, 23-10-433, 23-10-435 — 23-10-437, and 23-12-605 shall be liable to the railroad company injured thereby for all such damages as may result to it and, in addition thereto, an amount equal to a reasonable attorney's fee

in case of suit brought for the recovery of any damages.

SECTION 2406. Arkansas Code § 23-10-437 is amended to read as follows:

23-10-437. Intrastate freight — Rules ~~and regulations~~.

(a) The Arkansas Department of Transportation is authorized and empowered, as to all freight carried wholly within this state and the cars used therefor:

(1) To make and establish all needful rules ~~and regulations~~, general and special, which may be different according to the circumstances and conditions of different railroads and localities and for different kinds and classes of freight and cars, providing for the time, place, and manner of demanding cars for or giving notice of shipment of such freight and the time, place, and manner and the order in which the cars shall be furnished to shippers for the purpose of shipping freight between points in this state; and

(2) To prescribe rules ~~and regulations~~ for:

(A) The furnishing, exchanging, and interchanging of cars, loaded and empty, by railroad companies as between each other;

(B) The time, place, terms, and conditions upon which cars shall be furnished and interchange shall be made, and, in the absence of an agreement of such railroad companies, the reasonable compensation to be paid by each railroad company for the use, loss, injury, or destruction of the cars of another railroad company in the transportation of freight;

(C) The time within which and the manner by which railroad companies shall give notice or make demand upon each other for cars to be furnished by one railroad company in exchange for loaded cars or to have its cars returned, the reasonable free time to be allowed the shipper for the loading of cars without incurring liability for demurrage, and the free time which shall be allowed to the shipper or consignee in which to unload freight without incurring any liability for demurrage; and

(D) A schedule of reasonable demurrage charges, reciprocal or otherwise, for the use of cars, irrespective of damages or penalties provided in this subchapter, which may be different for different railroads and different traffic and localities to be paid by shippers for the detention or use of cars, either in loading or unloading or paid by the railroads for failing in a reasonable time to furnish cars or to make delivery of loaded

cars, subject to the penalties and damages provided in §§ 23-10-432 — 23-10-436 and the rules ~~and regulations~~ with respect thereto.

(b) The department, whenever it may deem it necessary in order to secure the prompt transportation of freight and preservation of property, shall be authorized to prescribe the minimum speed at which freight shall be moved when being transported between points within this state, including the time for transfer and delivery between connecting railroads.

(c) It shall be the duty of every such railroad to conform to all the rules ~~and regulations~~ and orders of the department made in accordance with this section. The failure of any such railroad company to observe the rules ~~and regulations~~ of the department, or to comply with the provisions of this section and §§ 23-10-401, 23-10-432 — 23-10-436, and 23-12-605 as to freight carried wholly within this state, shall be deemed an abuse subject to correction by the department and shall subject the railroad company to the penalties provided in §§ 23-10-432 — 23-10-436.

SECTION 2407. Arkansas Code § 23-11-209(10), concerning the specific powers and liabilities of a proposed railroad, is amended to read as follows:

(10) To, at any time by means of subscription to the capital stock of any other railroad company or otherwise, aid the other company in the construction of its railroad, within or without the state, for the purpose of forming a connection to the other road, with the road owned by the company furnishing the aid. Any such railway company which may have built its road to the boundary line of the state may extend into the adjoining state and, for that purpose, may build or buy or lease a railroad in the adjoining state and operate the railroad and may own such real estate and other property in any adjoining state as may be convenient in operating the road, subject to approval by two-thirds (2/3) of its stockholders and the department under rules ~~and regulations~~ established by the department; and

SECTION 2408. Arkansas Code § 23-11-220(c)(2), concerning the amendment of articles of incorporation of any railroad corporation, is amended to read as follows:

(2) The department shall establish rules ~~and regulations~~ governing the procedure for conducting hearings and making such determinations as it shall deem advisable for the purpose of approving

amendments to the articles of incorporation and charter of railroad corporations incorporated in this state.

SECTION 2409. Arkansas Code § 23-11-302(a), concerning the authority to sell or lease a road or property to a connecting foreign railroad, is amended to read as follows:

(a) Subject to the approval thereof by the Arkansas Department of Transportation under such rules ~~and regulations~~ for procedure as it may establish and a determination that such action will be in the public interest, any railroad corporation in this state may sell or lease its road, property, and franchise to any other railroad corporation duly organized and existing under the laws of any other state or territory whose line of railroad shall so connect with the leased or purchased road by bridge, ferry, or otherwise as to practically form a continuous line of railroad.

SECTION 2410. Arkansas Code § 23-11-402 is amended to read as follows:

23-11-402. Purchase or lease of state roads — Exception.

Subject to approval thereof by the Arkansas Department of Transportation under such rules ~~and regulations~~ for procedure as it may establish and a determination that action will be in the public interest, any railroad corporation existing under the laws of any other state or territory may buy, lease, or otherwise acquire any railroad, the whole or part of which is in this state, with all the rights, privileges, and franchises thereto pertaining, or buy the stock and bonds, or guarantee the bonds of any railroad corporation incorporated or organized under the laws of this state whenever the roads of such companies shall form in the operation thereof a continuous line or lines. However, the road so purchased shall not be parallel or competing with the purchasing road.

SECTION 2411. Arkansas Code § 23-12-503(2), concerning the liability for the injury or death of an employee by a common carrier by railroad, is amended to read as follows:

(2) By reason of any insufficiency of clearance of obstructions; of strength of roadbed and tracks or structures, or machinery and equipment; of lights and signals in switching and terminal yards, or rules ~~and regulations~~; and of number of employees to perform the particular duties with

safety to themselves and their coemployees, or of any other insufficiency; or

SECTION 2412. Arkansas Code § 23-12-1004(b), concerning the powers and duties of the State Highway Commission, is amended to read as follows:

(b) Pursuant to ~~regulation~~ rules providing for an opportunity of notice and hearing, the commission shall promulgate appropriate ~~regulations~~ rules pertaining to the maintenance of railroad crossings of state, county, city, or municipal streets and highways.

SECTION 2413. Arkansas Code § 23-12-1005(a)(1)(A), concerning inadequate action or unreasonable refusal of a railroad to respond to a complaint, is amended to read as follows:

(a)(1)(A) Prior to any request by a state, municipal, or county official for sanctions against any railroad company for violation of any ~~regulation~~ rule promulgated pursuant to this subchapter, the state, municipal, or county official shall state the claim or complaint in writing by certified mail to the registered agent of the railroad company in question.

SECTION 2414. Arkansas Code § 23-12-1007 is amended to read as follows:

23-12-1007. Investigations — ~~Regulations~~ Rules.

(a)(1) The State Highway Commission shall make such investigations as it deems necessary, or as requested by state, municipal, or county officials, to properly exercise the exclusive jurisdiction hereby conferred and pursuant to required notice and hearing shall promulgate all necessary orders or ~~regulations~~ rules concerning train operation, train movement, permissible standing time for trains, and all other related matters.

(2) The investigation of crossings shall include, but is not limited to, the reasonable availability or use of other crossings by vehicular or pedestrian traffic, the frequency and necessity of use of the railroad crossing by railroad trains and vehicular and pedestrian traffic, the restriction of emergency and law enforcement vehicles using the crossing, and the hours of frequent use of the crossing.

(3) In the investigation, the commission shall seek the advice of Arkansas counties, municipalities, railroads operating within this state,

and unions representing railroad employees.

(b) Provided, unless and until the commission by order or ~~regulation~~ rule provides otherwise, it is unlawful for any corporation, company, or person owning or operating any railroad trains in the state to permit a standing train to obstruct any public highway, road, street, or other railroad crossing for more than ten (10) minutes.

SECTION 2415. Arkansas Code § 23-12-1008(b), concerning delayed responses to complaints against railroad companies, is amended to read as follows:

(b) After the initial ten-minute period or such other period as may be prescribed by ~~regulation~~ rule of the commission, each ten-minute period or other period as may be prescribed by ~~regulation~~ rule of the commission that the crossing is obstructed by a standing train shall constitute a separate offense, and penalties may be imposed accordingly.

SECTION 2416. Arkansas Code § 23-13-102(c), concerning the Arkansas Department of Transportation's authority to inspect licenses, is amended to read as follows:

(c) Nothing contained in this act shall be construed to relieve any motor vehicle carrier from any ~~regulation~~ rule imposed by law or lawful authority.

SECTION 2417. Arkansas Code § 23-13-203(a)(8)(B)(i), concerning the definition of "household goods carrier", is amended to read as follows:

(B)(i) The household goods carriers shall continue to be regulated by the department in accordance with this subchapter and all rules ~~and regulations~~ made and promulgated by the department.

SECTION 2418. Arkansas Code § 23-13-203(a)(9), concerning the definition of "interested parties", is amended to read as follows:

(9) "Interested parties" includes, in all cases, all carriers operating over the routes or any part thereof or in the territory involved in any application for a certificate of convenience and necessity or a permit, or any application to file or change any schedule or rates, charges, fares, or any rule~~, regulation,~~ or practice, and such other parties as the

department may deem interested in the particular matter;

SECTION 2419. Arkansas Code § 23-13-206(a)(3), concerning the exemption of certain private carriers from the Arkansas Motor Carrier Act of 1995, is amended to read as follows:

(3) Any private carrier of property and motor vehicles employed in the hauling of gravel, rock, dirt, bituminous mix materials, riprap, quarried stone, crushed stone, and similar materials, and any movements and services performed by wreckers and wrecker services. Provided, all of the above private carriers, motor vehicles, and wrecker and wrecker services shall be subject to the provisions prescribed, including all ~~regulations~~ rules made and promulgated pursuant to this subchapter, with respect to safety of operation and equipment standards;

SECTION 2420. Arkansas Code § 23-13-206(a)(7)(B), concerning the exemption of transportation of passengers under contract with the state of Arkansas from the Arkansas Motor Carrier Act of 1995, is amended to read as follows:

(B) Provided, the motor carriers shall be subject to the provisions prescribed, including all ~~regulations~~ rules made and promulgated pursuant to this subchapter, with respect to safety of operation and equipment standards; and

SECTION 2421. Arkansas Code § 23-13-208(6), concerning the powers and duties of the Arkansas Department of Transportation, is amended to read as follows:

(6) To administer, execute, and enforce all other provisions of this subchapter, to make all necessary orders in connection therewith, and to prescribe rules~~, regulations,~~ and procedures for such administration; and

SECTION 2422. Arkansas Code § 23-13-219(a), concerning applications for a certificates of public convenience and necessity, is amended to read as follows:

(a) Applications for certificates of public convenience and necessity shall be made in writing to the Arkansas Department of Transportation, be verified under oath, shall be in such form, contain such information, and be

accompanied by proof of service upon such interested parties as the department by ~~regulation~~ rule shall require.

SECTION 2423. Arkansas Code § 23-13-220(a)(1), concerning notice and hearing requirements for issuance of a certificate of public convenience and necessity, is amended to read as follows:

(a)(1) Subject to the provisions of this subchapter, a certificate of public convenience and necessity shall be issued to any qualified applicant therefor, authorizing the whole or any part of the operations covered by the application if it is found that the applicant is fit, willing, and able properly to perform the service proposed and to conform to the provisions of this subchapter and the requirements~~,~~ and rules~~, and regulations~~ of the Arkansas Department of Transportation thereunder, and that the proposed service, to the extent to be authorized by the certificate, is or will be required by the present or future public convenience and necessity; otherwise the application shall be denied. The burden of proof shall be upon the applicant.

SECTION 2424. Arkansas Code § 23-13-221(b) and (c), concerning terms and conditions of certificates of public convenience and necessity, are amended to read as follows:

(b) A common carrier by motor vehicle operating under any such certificate may occasionally deviate from the route over which, or the fixed termini between which, it is authorized to operate under the certificate under such general or special rules ~~and regulations~~ as the department may prescribe.

(c) Any common carrier by motor vehicle transporting passengers under a certificate issued under this subchapter may transport to any place within the state special or chartered parties under such rules ~~and regulations~~ as the department may prescribe.

SECTION 2425. Arkansas Code § 23-13-223(a), concerning applications for permits for contract carriers, is amended to read as follows:

(a) Applications for permits for contract carriers by motor vehicles shall be made to the Arkansas Department of Transportation in writing, be verified under oath, and shall be in such form, contain such information, and

be accompanied by proof of service upon such interested parties as the department by ~~regulation~~ rule may require.

SECTION 2426. Arkansas Code § 23-13-224(a), concerning issuance of permits for contract carriers, is amended to read as follows:

(a) Subject to this subchapter, a permit for a contract carrier by motor vehicle shall be issued to any qualified applicant therefor authorizing in whole or in part the operations covered by the applications, if it is found that the applicant is fit, willing, and able to properly perform the service of a contract carrier by motor vehicle and to conform to the provisions of this subchapter and the lawful requirements~~,~~ and rules~~, and regulations~~ of the Arkansas Department of Transportation, and the proposed operation, to the extent authorized by the permit, will promote the public interest and the policy declared in § 23-13-202; otherwise the application shall be denied.

SECTION 2427. Arkansas Code § 23-13-227(b)-(d), concerning certificates or permits issued to motor carriers by the Arkansas Department of Transportation, are amended to read as follows:

(b)(1) In its discretion and under such rules ~~and regulations~~ as it shall prescribe the department may require any such common carrier to file a surety bond, policies of insurance, qualifications as a self-insurer, or other securities or agreements, in a sum to be determined by the department, to be conditioned upon the carrier making compensation to shippers or consignees for all property belonging to shippers or consignees and coming into the possession of such carriers in connection with its transportation service.

(2) Any carrier which may be required by law to compensate a shipper or consignee for any loss, damage, or default for which a connecting motor common carrier is legally responsible shall be subrogated to the rights of the shipper or consignee under any such bond, policies, or insurance or other securities or agreements, to the extent of the sum so paid, plus any court costs and reasonable attorney's fees paid by the carrier in defending any action brought thereon by the shipper or consignee.

(c) The reasonable rules ~~and regulations~~ of the department authorized by this section shall conform as nearly as may be consistent with the public

interest to those rules made by the Interstate Commerce Commission [abolished] from time to time with respect to surety for the protection of the public by motor carriers engaged in interstate or foreign commerce.

(d) Any motor carrier who has qualified as a self-insurer in accordance with the rules ~~and regulations~~ of the Interstate Commerce Commission [abolished] governing motor carriers engaged in interstate or foreign commerce shall be prima facie deemed qualified as a self-insurer in the State of Arkansas.

SECTION 2428. Arkansas Code § 23-13-230(b) and (c), concerning brokers licenses issued by the Arkansas Department of Transportation, are amended to read as follows:

(b) A brokerage license shall be issued to any qualified applicant therefor, authorizing the whole or any part of the operations covered by the application, if it is found that the applicant is fit, willing, and able properly to perform the service proposed and to conform to the provisions of this subchapter and the requirements~~,~~ and rules~~, and regulations~~ of the department thereunder and that the proposed service, to the extent authorized by the license, will promote the public interest and policy declared in this subchapter; otherwise the application shall be denied.

(c) The department shall prescribe reasonable rules ~~and regulations~~ for the protection of travelers or shippers by motor vehicle, to be observed by any person holding a brokerage license. No such license shall be issued or remain in force unless the person shall have furnished a bond or other security approved by the department, in such form and amount as will insure financial responsibility and the supplying of authorized transportation in accordance with contracts, agreements, or arrangements therefor.

SECTION 2429. Arkansas Code § 23-13-233(a)(1), concerning certain certificates, permits, and licenses issued by the Arkansas Department of Transportation, is amended to read as follows:

(1) Willful failure to comply with any provision of this subchapter, with any lawful order~~,~~ or rule~~, or regulation~~ of the department promulgated thereunder, or with any term, condition, or limitation of the certificate, permit, or license;

SECTION 2430. Arkansas Code § 23-13-233(c), concerning certain certificates, permits, and licenses issued by the Arkansas Department of Transportation, is amended to read as follows:

(c) No certificate, permit, or license shall be revoked, except under application of the holder or violation of § 23-13-227, unless the holder thereof willfully fails to comply within a reasonable time, not less than thirty (30) days, to be fixed by the department, with a lawful order of the department commanding obedience to the provisions of this subchapter, or to the rules ~~or regulations~~ of the department, or to the terms, conditions, or limitation of such certificate, permit, or license found by the department to have been violated by the holder.

SECTION 2431. Arkansas Code § 23-13-235(a)(3), concerning annual fees charged to carriers by the Arkansas Department of Transportation, is amended to read as follows:

(3) The Arkansas Department of Transportation shall also collect fees under the base state registration program on behalf of and for all other participating states of travel from all carriers based in the State of Arkansas. All fees collected on behalf of other participating states shall be collected in the amount required by that state and remitted to that state under the rules ~~and regulations~~ adopted by the Interstate Commerce Commission [abolished].

SECTION 2432. Arkansas Code § 23-13-235(c) and (d), concerning annual fees charged to carriers by the Arkansas Department of Transportation, are amended to read as follows:

(c) Nothing in this section shall be construed as requiring the payment of more than the fees for each bus, truck, or truck-tractor so used as set out in subsection (a) of this section, but the fee shall be paid annually for each motor vehicle, as the term “motor vehicle” is defined in rules ~~and regulations~~ of the Interstate Commerce Commission [abolished].

(d) Failure on the part of any person or carrier to pay the annual registration fees as provided in this section shall be a violation of this subchapter, and upon conviction the person or carrier shall be punished as provided in § 23-13-257.

SECTION 2433. Arkansas Code § 23-13-236(a)(2), concerning certain duties of common carriers, is amended to read as follows:

(2) To establish, observe, and enforce just and reasonable individual and joint rates, fares, and charges, and just and reasonable ~~regulations~~ rules and practices relating thereto and relating to the issuance, form, and substance of tickets; the carrying of personal, sample, and excess baggage; the facilities for transportation; and all other matters relating to or connected with the transportation of passengers; and

SECTION 2434. Arkansas Code § 23-13-236(b)(2), concerning certain duties of common carriers, is amended to read as follows:

(2) To establish, observe, and enforce just and reasonable rates, charges, and classifications and just and reasonable ~~regulations~~ rules and practices relating thereto, and relating to the manner and method of presenting, marking, packing, and delivering property for transportation, the facilities for transportation, and all other matters relating to or connected with the transportation of property.

SECTION 2435. Arkansas Code § 23-13-238 is amended to read as follows:

23-13-238. Common carriers — Rates, fares, rules, ~~regulations,~~ etc. — Complaints.

Any person, state board, organization, or body politic may make complaint in writing to the Arkansas Department of Transportation that any rate, fare, charge, classification, rule, ~~regulation,~~ or practice in effect or proposed to be put into effect is or will be in violation of this subchapter.

SECTION 2436. Arkansas Code § 23-13-239 is amended to read as follows:

23-13-239. Common carriers — Rates, fares, rules, ~~regulations,~~ etc. — Determination by department.

(a)(1) Whenever, after hearing, upon complaint, or in an investigation on its own initiative, the Arkansas Department of Transportation shall be of the opinion that any individual or joint rate, fare, or charge, demanded, charged, or collected by any common carriers by railroad, express, or water for transportation, or that any classification, rule, ~~regulation,~~ or practice whatsoever of the carriers affecting the rate, fare, or charge or the value

of the service thereunder, is or will be unjust or unreasonable, unjustly discriminatory, or unduly preferential, or unduly prejudicial, it shall determine and prescribe the lawful rate, fare, or charge or the maximum or minimum rate, fare, or charge thereafter to be observed, or the lawful classification, rule, ~~regulation,~~ or practice thereafter to be made effective.

(2) Whenever deemed by it to be necessary or desirable in the public interest, after hearing, upon complaint, the department shall establish through routes and joint rates, fares, charges, ~~regulations~~ rules~~,~~ or practices applicable to the transportation of passengers by common carriers by motor vehicle or establish the maximum or minimum rates, fares, or charges to be charged and the terms and conditions under which the through routes shall be operated.

(b) Nothing in this subchapter shall empower the department to prescribe or in any manner regulate the rate, fare, or charge for interstate transportation or for any service connected therewith.

SECTION 2437. Arkansas Code § 23-13-240 is amended to read as follows:

23-13-240. Common carriers — Rates, charges, rules, ~~regulations,~~ etc. — Establishment and division of joint rates, charges, etc.

(a)(1) Common carriers of property by motor vehicle may establish reasonable through routes and joint rates, charges, and classifications with other such carriers or with common carriers by railroad or express or water.

(2) Common carriers of passengers by motor vehicle may establish reasonable through routes and joint rates, fares, or charges with common carriers by railroad or water.

(b) In case of joint rates, fares, or charges, it shall be the duty of the carriers parties thereto to establish just and reasonable ~~regulations~~ rules and practices in connection therewith and to establish just, reasonable, and equitable divisions thereof as between the carriers participating therein which shall not unduly prefer or prejudice any participating carriers.

(c)(1) Whenever, after hearing, upon complaint or upon its own initiative the Arkansas Department of Transportation is of the opinion that the divisions of joint rates, fares, or charges, applicable to the transportation of passengers or property by common carriers by motor vehicle,

or by such carriers in conjunction with common carriers by railroad, express, or water, are or will be unjust, unreasonable, inequitable, or unduly preferential or prejudicial as between the carriers parties thereto, whether agreed upon by such carriers, or any of them, or otherwise established, the department shall by order prescribe the just, reasonable, and equitable divisions thereof to be received by the several carriers.

(2) In cases where the joint rate, fare, or charge was established pursuant to a finding or order of the department, the department may also by order determine what would have been the just, reasonable, and equitable divisions thereof to be received by the several carriers and require adjustment to be made in accordance therewith.

(3) The order of the department may require the adjustment of divisions between the carriers, in accordance with the order, from the date of filing the complaint or entry of order of investigation or such other date subsequent as the department finds justified. In the case of joint rates described by the department, the order as to divisions may be made effective as a part of the original order.

SECTION 2438. Arkansas Code § 23-13-241 is amended to read as follows:

23-13-241. Common carriers — Schedules, rules, etc., affecting rates, fares, etc. — Hearings — Suspension proceedings.

(a) Whenever any schedule stating a new individual or joint rate, fare, charge, or classification for the transportation of passengers, or by any such carrier in conjunction with a common carrier or carriers by railroad, express, or water, or any rule~~, regulation,~~ or practice affecting the rate, fare, or charge, or the value of the service thereunder is filed with the Arkansas Department of Transportation, the department is authorized and empowered to enter upon a hearing concerning the lawfulness of the rate, fare, or charge, or the lawfulness of a rule~~, regulation,~~ or practice, upon the complaint of any interested party or upon its own initiative, at once, if the department so orders, without answer or other formal pleading by the interested carrier or carriers, but upon reasonable notice.

(b)(1) Pending the hearing and the decision thereon, the department from time to time may suspend the operations of the schedule and defer the use of the rate, fare, or charge or such rule~~, regulation,~~ or practice for a period of thirty (30) days by filing with the schedule and delivering to the

carriers affected thereby a statement in writing of its reasons for the suspension.

(2) If the proceeding has not been concluded and a final order made within the thirty-day period, the department from time to time, by order, may extend the period of suspension, but not for a longer period in the aggregate than ninety (90) days beyond the time when it would otherwise go into effect. The department may make the order with reference thereto as would be proper in a proceeding instituted after it had become effective.

(c) If the proceeding has not been concluded and an order made within the period of suspension, the proposed change, or rate, fare, or charge or classification, rule, ~~regulation,~~ or practice shall go into effect at the end of the period.

SECTION 2439. Arkansas Code § 23-13-244(a)(3) and (4), concerning tariffs of common carriers by motor vehicle, are amended to read as follows:

(3) The tariffs required by this section shall be published, filed, and posted in such form and manner and shall contain such information as the department by ~~regulation~~ rule shall prescribe.

(4) The department is authorized to reject any tariff filed with it which is not in consonance with this subchapter and with its ~~regulations~~ rules. Any tariff so rejected by the department shall be void, and its use shall be unlawful.

SECTION 2440. Arkansas Code § 23-13-245 is amended to read as follows:

23-13-245. Contract carriers — Schedule of minimum rates and charges, rules, ~~regulations,~~ and practices — Requirement — Filing, posting, and publishing required.

(a) It shall be the duty of every contract carrier by motor vehicle to establish and observe reasonable minimum rates and charges for any service rendered or to be rendered in the transportation of passengers or property or in connection therewith and to establish and observe reasonable minimum rates, fares, and charges.

(b) It shall be the duty of every contract carrier by motor vehicle to file with the Arkansas Department of Transportation and to publish and keep open for public inspection, in the form and manner prescribed by the department, schedules containing the minimum rates or charges of the carrier

actually maintained and charged for the transportation of passengers or property and any rule~~, regulation,~~ or practice affecting such rates or charges and the value of the service thereunder.

(c) No contract carrier, unless otherwise provided by this subchapter, shall engage in the transportation of passengers or property unless the minimum charges for the transportation by the carrier have been published, filed, and posted in accordance with the provisions of this subchapter.

SECTION 2441. Arkansas Code § 23-13-246 is amended to read as follows:

23-13-246. Contract carriers — Schedule of minimum rates and charges, rules, ~~regulations,~~ and practices — Adherence to schedule required — Exceptions.

(a) No contract carrier by motor vehicle shall demand, charge, or collect a less compensation for the transportation than the charges filed in accordance with § 23-13-245, as affected by any rule~~, regulation,~~ or practice so filed, or may be prescribed by the Arkansas Department of Transportation from time to time.

(b) It shall be unlawful for any contract carrier, by the furnishing of special services, facilities, or privileges, or by any other device whatsoever, to charge, accept, or receive less than the minimum charges so filed or prescribed.

(c) However, any contract carrier, or any class or group thereof, may apply to the department for the relief from the provisions of § 23-13-245, and the department after hearing may grant such relief to such extent and for such time, and in such manner as in its judgment is consistent with the public interest and the transportation policy declared in this subchapter.

SECTION 2442. Arkansas Code § 23-13-247 is amended to read as follows:

23-13-247. Contract carriers — Schedule of minimum rates and charges, rules~~, regulations,~~ and practices — Notice of proposed changes.

(a) No reduction shall be made in any charge of a contract carrier by motor vehicle either directly or by means of any change in any rate, ~~regulation~~ rule, or practice affecting the charge or the value of services thereunder except after thirty (30) days' notice of the proposed change filed in the manner and form set forth in § 23-13-245. However, in its discretion and for good cause shown, the Arkansas Department of Transportation may allow

such a change upon less notice or modify the requirements of § 23-13-245 with respect to posting and filing of the schedules, either in particular instances or by general order applicable to special or peculiar circumstances or conditions.

(b) The notice shall plainly state the change proposed to be made and the time when the change will take effect.

SECTION 2443. Arkansas Code § 23-13-249 is amended to read as follows:

23-13-249. Contract carriers — Schedule of rules, etc., affecting rates, fares, etc. — Hearings — Suspension proceedings.

(a) Whenever a contract carrier by motor vehicle files with the Arkansas Department of Transportation any schedule stating a charge for a new service or a reduced charge directly, or by means of any rule~~, regulation,~~ or practice, for transportation of passengers or property, the department may enter upon a hearing concerning the lawfulness of such charge or such rule~~, regulation,~~ or practice upon complaint of interested parties or upon its own initiative at once, and if it so orders, without answer or other formal pleading by the interested party, but upon reasonable notice.

(b) Pending the hearing and the decision thereon, the department from time to time may suspend the operations of the schedule and defer the use of the charge, or the rule~~, regulation,~~ or practice for a period of thirty (30) days, by filing such schedules and delivering to the carrier affected thereby a statement in writing of its reasons for the suspension.

(c) If the proceeding has not been concluded and a final order made within the thirty-day period, the department from time to time may extend the period of suspension by order, but not for a longer period in the aggregate than ninety (90) days beyond the time when it would otherwise go into effect.

(d)(1) After the hearing, whether completed before or after the charge, rule~~, regulation,~~ or practice goes into effect, the department may make such order with reference thereto as would be proper in a proceeding instituted after it had become effective.

(2) If the proceeding has not been concluded and an order made therein within the period of suspension, the proposed change in any rule~~, regulation,~~ or practice shall go into effect at the end of such a period.

SECTION 2444. Arkansas Code § 23-13-250 is amended to read as follows:

23-13-250. Contract carriers — Schedule of minimum rates and charges, rules~~, regulations,~~ and practices — Establishment by department.

(a) Whenever, after hearing, upon complaint or upon its own initiative, the Arkansas Department of Transportation finds that any minimum rate or charge of any contract carrier by motor vehicle, that any rule~~, regulation,~~ or practice of any such carrier affecting the minimum rate or charge, or that the value of the service thereunder for the transportation of passengers or property or in connection therewith contravenes the transportation policy declared in this subchapter, or is in contravention of any provision of this subchapter, the department may prescribe such just and reasonable minimum rates, charges, rules, ~~regulations,~~ or practices as in its judgment may be necessary or desirable in the public interest and desirable to promote the policy and will not be in contravention of any provision of this subchapter.

(b) The minimum rate or charge, or such rule~~, regulation,~~ or practice so prescribed by the department, shall give no advantage or preference to any carrier in competition with any common carrier by motor vehicle subject to this subchapter, which the department may find to be undue or inconsistent with the public interest and the transportation policy declared in this subchapter.

(c) The department shall give due consideration to the cost of services rendered by contract carriers and to the effect of the minimum rate or charge, or such rule~~, regulation,~~ or practice, upon the movement of traffic by such carriers.

SECTION 2445. Arkansas Code § 23-13-251(a), concerning collection of rates and charges by the Arkansas Department of Transportation, is amended to read as follows:

(a) A common carrier by motor vehicle shall not deliver or relinquish possession at destination of any freight transported by it until all tariff rates and charges thereon have been paid except under such rules ~~and regulations~~ as the Arkansas Department of Transportation from time to time may prescribe to govern the settlement of all such rates and charges, including rules ~~and regulations~~ for weekly or monthly settlement and those to prevent unjust discrimination or undue preference or prejudice.

SECTION 2446. Arkansas Code § 23-13-257 is amended to read as follows:

23-13-257. Violations by carriers, shippers, brokers, etc., or employees, agents, etc. — Penalties.

Any person, whether a carrier, shipper, consignee, or broker, or any officer, employee, agent, or representative thereof who shall knowingly offer, grant, or give or solicit, accept, or receive any rebate, concession, or discrimination in violation of any provision of this subchapter; who by means of any false statement or representation, or by the use of any false or fictitious bill, bill of lading, receipt, voucher, roll, account, claim, certificate, affidavit, deposition, lease, or bill of sale, or by any other means or device shall knowingly assist, suffer, or permit any persons, natural or artificial, to obtain transportation of passengers or property subject to this subchapter for less than the applicable fare, rate, or charge; who shall knowingly by any such means or otherwise fraudulently seek to evade or defeat ~~regulations~~ rules as in this subchapter is provided for motor carriers or brokers; or who shall violate any of the ~~regulations~~ rules, including safety ~~regulations~~ rules, prescribed or hereafter prescribed by the State Highway Commission pursuant to the provisions of Title 23 of this Code, shall be guilty of a violation. Upon conviction, that person, unless otherwise provided in this chapter, shall be fined not more than five hundred dollars ($500) for the first offense and not less than five hundred dollars ($500) nor more than one thousand dollars ($1,000) for any subsequent offense.

SECTION 2447. Arkansas Code § 23-13-258 is amended to read as follows:

23-13-258. Operation of motor vehicle while in possession of, consuming, or under influence of any controlled substance or intoxicating liquor prohibited — Definition.

(a)(1) Any person operating or being in physical control of a motor vehicle, which motor vehicle is susceptible at the time of such operation or physical control to any ~~regulations~~ rules of the State Highway Commission regarding the safety of operation and equipment of that motor vehicle, who commits any of the following acts shall be guilty of a violation and upon conviction for the first offense shall be subject to a fine of not less than two hundred dollars ($200) nor more than one thousand dollars ($1,000):

(A) Operating or being in physical control of such a motor

vehicle if he or she possesses, is under the influence of, or is using any controlled substance;

(B) Operating or being in physical control of such a motor vehicle if he or she possesses, is under the influence of, or is using any other substance that renders him or her incapable of safely operating a motor vehicle; or

(C)(i) Consumption of or possession of an intoxicating liquor, regardless of its alcoholic content, or being under the influence of an intoxicating liquor while in physical control of such a motor vehicle.

(ii) However, no person shall be considered in possession of an intoxicating liquor solely on the basis that an intoxicating liquor or beverage is manifested and being transported as part of a shipment.

(2) Upon the second and subsequent convictions, that person shall be subject to a fine of not less than five hundred dollars ($500) nor more than one thousand dollars ($1,000).

(b) As used in this section, "controlled substance" shall have the same meaning ascribed to that term in the Uniform Controlled Substances Act, § 5-64-101 et seq., and the ~~regulations~~ rules issued pursuant to the Uniform Controlled Substances Act, § 5-64-101 et seq.

(c) This section does not abrogate any of the provisions of the Omnibus DWI or BWI Act, § 5-65-101 et seq., and any person violating subsection (a) of this section who may be charged with a violation of the Omnibus DWI or BWI Act, § 5-65-101 et seq., shall be charged with a violation of the Omnibus DWI or BWI Act, § 5-65-101 et seq., rather than with a violation of this section.

SECTION 2448. Arkansas Code § 23-13-261 is amended to read as follows:

23-13-261. Injunction against violation of subchapter, rules, ~~regulations,~~ etc., or terms and conditions of certificate, permit, or license.

If any motor carrier or broker operates in violation of any provision of this subchapter, except as to the reasonableness of rates, fares, or charges, and the discriminatory character thereof, or any rule, ~~regulation,~~ requirement, or order thereunder, or of any term or condition of any certificate, permit, or license, the Arkansas State Highway and Transportation Department or its duly authorized agent may apply to the

Pulaski County Circuit Court or to any circuit court of the State of Arkansas where the motor carrier operates for the enforcement of the provision of this subchapter, or of the rule, ~~regulation,~~ requirement, order, term, or condition, and enjoining upon it or them obedience thereto.

SECTION 2449. Arkansas Code § 23-13-265(a)(3)(B)(iv), concerning requirements of certain requirements of exempt motor carriers, is amended to read as follows:

(iv) Proof of public liability insurance in the amounts set out in all rules ~~and regulations~~ made and promulgated by the commission;

SECTION 2450. Arkansas Code § 23-13-265(f), concerning requirements of certain requirements of exempt motor carriers, is amended to read as follows:

(f) The commission shall have the authority to make and promulgate rules ~~and regulations~~ for the implementation of this section.

SECTION 2451. Arkansas Code § 23-13-304(b), concerning service of process and notices by the Arkansas Department of Transportation, is amended to read as follows:

(b) Any process, together with the services of all notices issued by the department, as well as copies of complaints, rules, and orders~~, and regulations~~ of the department, may be served by a member of the Department of Arkansas State Police or any person authorized to serve process issued out of courts of law or by registered mail as the department may direct.

SECTION 2452. Arkansas Code § 23-13-307(a), concerning revocation of license, permit, or certificate by the Arkansas Department of Transportation, is amended to read as follows:

(a) In the event the Arkansas Department of Transportation finds that the defendant is guilty upon any complaint filed and proceeding had, and that the provisions of § 23-13-102 or the rules~~, regulations,~~ or orders of the Arkansas Department of Transportation have been willfully and knowingly violated and that a motor vehicle was used in the violation, the Arkansas Department of Transportation shall forthwith deliver a certified copy of its findings and order to the Director of the Department of Finance and

Administration.

SECTION 2453. Arkansas Code § 23-13-718(c)(1), concerning inspection of records maintained by the Arkansas Department of Transportation, is amended to read as follows:

(c)(1) No more than annually as determined by ~~regulation~~ rule of the commission, the commission or its employees or duly authorized agents may in a mutually agreed-upon setting inspect or, if inspection is not feasible, be provided copies of records required to be maintained by a transportation network company under this subchapter that are necessary to ensure public safety.

SECTION 2454. Arkansas Code § 23-14-104 is amended to read as follows:

23-14-104. Penalties.

(a) A person, including any officer, agent, or employee of a corporation, who violates any provision of this chapter or fails to comply with any order, decision, or ~~regulation~~ rule issued by the Arkansas Department of Transportation is guilty of a Class A misdemeanor.

(b) Each day's violation of this chapter or any of the terms or conditions of any such order, decision, or ~~regulation~~ rule shall constitute a separate offense.

SECTION 2455. Arkansas Code § 23-14-110 is amended to read as follows:

23-14-110. Certificates — Application — Notice and hearings.

(a) Applications for certificates shall be made in writing to the Arkansas Department of Transportation, shall be verified under oath, and shall be in such form and contain such information and be accompanied by proof of service upon such interested parties as the department shall by ~~regulation~~ rule require.

(b)(1) Upon the filing of an application for a certificate, the department shall give due notice thereof to such persons and by such means as the department may by ~~regulation~~ rule determine.

(2) Any interested person may file with the department a protest or memorandum of opposition to or in support of the issuance of a certificate.

(c) A public hearing shall be held on the application if the applicant

or any person having a substantial interest in the proceeding shall so request within such time as the department shall by ~~regulation~~ rule provide.

SECTION 2456. Arkansas Code § 23-14-112 is amended to read as follows:

23-14-112. Certificates — Security for protection of public required.

No certificate shall be issued to a common carrier by aircraft or remain in force unless the carrier complies with such reasonable rules ~~and regulations~~ as the Arkansas Department of Transportation shall prescribe governing the filing and approval of surety bonds, policies of insurance, qualifications as a self-insurer, or other securities or agreements, in such reasonable amount and conditioned as the department may require.

SECTION 2457. Arkansas Code § 23-14-114 is amended to read as follows:

23-14-114. Issuance of certificates.

The Arkansas Department of Transportation, subject to §§ 23-14-109 and 23-14-111 — 23-14-113, shall issue a certificate authorizing the whole or any part of the operation covered by an application for a certificate if it finds that the applicant is fit, willing, and able to perform the operation properly and to conform to the provisions of this chapter and the rules~~,~~ ~~regulations,~~ and requirements of the department hereunder and that the operation and the performance thereof by the applicant is required by the public convenience and necessity.

SECTION 2458. Arkansas Code § 23-14-116 is amended to read as follows:

23-14-116. Certificates — Transfer or lease.

Any certificate may be transferred or leased subject to the approval of the Arkansas Department of Transportation and under such reasonable rules ~~and regulations~~ as may be prescribed by the department.

SECTION 2459. Arkansas Code § 23-15-105(c), concerning issuance of rules by the Arkansas Department of Transportation authorizing pipeline companies to transport ammonia and other components of fertilizer, is amended to read as follows:

(c) The department shall make such reasonable rules ~~and regulations~~ as may be necessary to administer this section.

SECTION 2460. Arkansas Code § 23-15-208(a) and (b), concerning inspection of and maintenance by persons who engage in the transportation of gas or who own or operate certain pipeline facilities, are amended to read as follows:

(a) Each person who engages in the transportation of gas or who owns or operates pipeline facilities not subject to the jurisdiction of the Federal Energy Regulatory Commission under the Natural Gas Act shall file with the Arkansas Public Service Commission a plan for inspection and maintenance of each pipeline facility owned or operated by the person and any changes in the plan in accordance with ~~regulations~~ rules prescribed by the Arkansas Public Service Commission.

(b) The Arkansas Public Service Commission by ~~regulation~~ rule may also require persons who engage in the transportation of gas or who own or operate pipeline facilities subject to the provisions of this subchapter to file such plans for approval.

SECTION 2461. Arkansas Code § 23-15-211(a), concerning civil penalties for failure to comply with certain rules for persons who engage in the transportation of gas or who own and operate pipeline facilities, is amended to read as follows:

(a) A person who violates a provision of § 23-15-209 or a ~~regulation~~ rule issued under this subchapter is subject to a civil penalty not to exceed:

(1) Two hundred thousand dollars ($200,000) for each day that the violation persists; and

(2) Two million dollars ($2,000,000) for any related series of violations.

SECTION 2462. Arkansas Code § 23-16-407(b)(1), concerning the powers and duties of the Arkansas Lifeline Individual Verification Effort Corporation, is amended to read as follows:

(1) Have perpetual succession as a body politic and corporate, adopt bylaws for the regulation of the affairs and the conduct of its business, and prescribe rules~~, regulations,~~ and policies in connection with the performance of its functions and duties;

SECTION 2463. Arkansas Code § 23-17-113(a)(1), concerning nondiscrimination by telephone companies, is amended to read as follows:

(a)(1) Every telephone company doing business in this state and engaged in a general telephone business shall supply all applicants for telephone connection and facilities without discrimination or partiality, within ten (10) days after written demand therefor, if the applicants comply or offer to comply with the reasonable ~~regulations~~ rules of the company.

SECTION 2464. Arkansas Code § 23-17-120(a)(1), concerning rules adopted by the Arkansas Public Service Commission establishing calling plans in telephone exchange, is amended to read as follows:

(a)(1) The Arkansas Public Service Commission by ~~regulation~~ rule shall establish calling plans in telephone exchanges in the state.

SECTION 2465. Arkansas Code § 23-17-304(c), concerning the creation of the Universal Telephone Service Fund, is amended to read as follows:

(c) The amounts shall be remitted to the Arkansas Public Service Commission under such reasonable rules ~~and regulations~~ as the Arkansas Public Service Commission may prescribe and shall be deposited by the Arkansas Public Service Commission into an account, separate from all other funds, designated as the Universal Telephone Service Fund.

SECTION 2466. Arkansas Code § 23-17-306(c), concerning allocation of the Universal Telephone Service Fund, is amended to read as follows:

(c) The commission by rule ~~or regulation~~ may establish standard guidelines for allocation methodology.

SECTION 2467. Arkansas Code § 23-17-404(e)(5), concerning adoption of rules concerning preservation and promotion of universal service, is amended to read as follows:

(5)(A)(i) The commission shall establish by ~~regulation~~ rule a grant program to make grants available to eligible telecommunications carriers for the extension of facilities to citizens who are not served by wire line services of an eligible telecommunications carrier. Grants may be requested by an eligible telecommunications carrier or citizens who are not served, or both.

(ii) The commission shall delegate to a trustee the administration, collection, and distribution of the Extension of Telecommunications Facilities Fund in accordance with the rules and procedures established by the commission. The trustee shall enforce and implement all rules and directives governing the funding, collection, and eligibility for the Extension of Telecommunications Facilities Fund.

(B)(i) In establishing ~~regulations~~ rules for the grant program, the commission shall consider demonstrated need, the length of time the citizens have not been served, the households affected, the best use of the funds, and the overall need for extensions throughout the state.

(ii) The commission may require each potential customer to be served by the extension of facilities to pay up to two hundred fifty dollars ($250) of the cost of extending facilities.

(C) The plan shall be funded by customer contributions and by the Extension of Telecommunications Facilities Fund established by subdivision (e)(4)(A)(i)(a) of this section;

SECTION 2468. Arkansas Code § 23-17-411(c)-(e), concerning telecommunication rates, earnings, rates of return, or rate based calculation, are amended to read as follows:

(c) Consistent with the policy of telecommunications competition that is implemented with this subchapter, other than the commission's promulgation of rules ~~and regulations~~ required by this subchapter, the commission shall promulgate no new rule ~~or regulation~~ that increases regulatory burdens on telecommunications service providers, except upon a showing that the benefits of such rule ~~or regulation~~ are clear and demonstrable and substantially exceed the cost of compliance by the affected telecommunications service providers.

(d) Not later than one hundred eighty (180) days after February 4, 1997, the commission shall conduct a rule-making proceeding to identify and repeal all rules ~~and regulations~~ relating to the provision of telecommunications service which are inconsistent with, have been rendered unnecessary by, or have been superseded by either this subchapter or the federal act.

(e) Not later than one hundred eighty (180) days after February 4, 1997, the commission shall revise its rules so that they apply, except as

expressly provided in this subchapter, equally to all providers of basic local exchange service. All future rule changes promulgated by the commission shall apply equally to all providers of basic local exchange service.

SECTION 2469. Arkansas Code § 23-17-411(f)(1), concerning telecommunication rates, earnings, rates of return, or rate based calculation, is amended to read as follows:

(f)(1) In order to eliminate outdated, unnecessary, and burdensome laws and ~~regulations~~ rules, electing companies, incumbent local exchange carriers filing notice under § 23-17-412, and competing local exchange carriers shall not be subject to the requirements of §§ 23-2-304(a)(1), (7), and (8), 23-2-306, 23-2-307, 23-3-101 – 23-3-107, 23-3-112, 23-3-114, 23-3-118, 23-3-119(a)(2), 23-3-201, 23-3-206, 23-3-301 – 23-3-316, 23-4-101 – 23-4-104, 23-4-107, 23-4-109, 23-4-110, 23-4-201(d), 23-4-401 – 23-4-405, 23-4-407 – 23-4-419, and 23-17-113, or the commission's rules ~~and regulations~~ implementing the statutes.

SECTION 2470. Arkansas Code § 23-18-101(b), concerning electric cooperative corporation areas of service, is amended to read as follows:

(b) No later than ninety (90) days after February 21, 2003, the commission shall commence a rulemaking proceeding to identify and to repeal or amend all rules ~~and regulations~~ adopted by the commission to facilitate, or in anticipation of, retail electric competition that are inconsistent with, have been rendered unnecessary by, or have been superseded by this act.

SECTION 2471. Arkansas Code § 23-18-103(d), concerning rules established by the Arkansas Public Service Commission, is amended to read as follows:

(d) The commission shall promulgate such ~~regulations~~ rules as are necessary to implement this section.

SECTION 2472. Arkansas Code § 23-18-106(a), concerning regulation of resource planning, asset acquisition, and alternative retail services by the Arkansas Public Service Commission, is amended to read as follows:

(a) The Arkansas Public Service Commission shall have the authority to adopt rules ~~and regulations~~ under which electric utilities shall seek

commission review and approval of the processes, actions, and plans by which the utilities:

(1) Engage in comprehensive resource planning;

(2) Acquire electric energy, capacity, and generation assets; or

(3) Utilize alternative methods to meet their obligations to serve Arkansas retail electric customers.

SECTION 2473. Arkansas Code § 23-18-106(c), concerning regulation of resource planning, asset acquisition, and alternative retail services by the Arkansas Public Service Commission, is amended to read as follows:

(c) Subsection (a) of this section does not apply to any transaction involving the acquisition of generation assets, which is closed and finalized prior to the adoption of the rules ~~and regulations~~ authorized in subsection (a) of this section, or within one (1) year after February 21, 2003, whichever comes later, and which is the subject of an order or ruling of any federal or state regulatory agency issued on or before January 1, 2003.

SECTION 2474. Arkansas Code § 23-18-203 is amended to read as follows:

23-18-203. Commission ~~regulations~~ rules shall not conflict with United States Government regulations.

The Arkansas Public Service Commission shall make no ~~regulations~~ rules affecting electric cooperative corporations in matters of accounting, recordkeeping, or fiscal management in conflict with regulations which have been, or shall be, promulgated by the Administrator of the Rural Electrification Administration of the United States Department of Agriculture [superseded] or such other agency or instrumentality described in § 23-18-202.

SECTION 2475. Arkansas Code § 23-18-503(5), concerning the definition of "energy resource declaration-of-need proceeding", is amended to read as follows:

(5) “Energy resource declaration-of-need proceeding” means a utility-specific proceeding conducted by the Arkansas Public Service Commission under §§ 23-18-106 and 23-18-107 and the rules ~~and regulations~~ adopted thereunder to determine the need for additional energy supply and transmission resources by a public utility;

SECTION 2476. Arkansas Code § 23-18-507(f)(1), concerning the authority of the Arkansas Public Service Commission, is amended to read as follows:

(f)(1) Under §§ 23-18-106 and 23-18-107 and the rules ~~and regulations~~ adopted thereunder, the Arkansas Public Service Commission may determine the need for additional energy supply and transmission resources by public utilities in an energy resource declaration-of-need proceeding.

SECTION 2477. Arkansas Code § 23-18-508 is amended to read as follows:

23-18-508. Rules ~~and regulations~~.

The Arkansas Public Service Commission shall have and is granted the power and authority to make and amend from time to time after reasonable notice and hearing reasonable rules ~~and regulations~~ establishing exemptions from some or all of the requirements of this subchapter for the construction, reconstruction, or expansion of any major utility facility which is unlikely to have major adverse environmental or economic impact by reason of length, size, location, available space, or right-of-way on or adjacent to existing utility facilities and similar reasons.

SECTION 2478. Arkansas Code § 23-18-511(10), concerning application for a certificate from the Arkansas Public Service Commission, is amended to read as follows:

(10) Such other information of an environmental or economic nature as the applicant may consider relevant or as the commission may by ~~regulation~~ rule or order require.

SECTION 2479. Arkansas Code § 23-18-513(a)(4), concerning service or notice of an application for a certificate from the Arkansas Public Service Commission, is amended to read as follows:

(4) Any head of a governmental agency charged with the duty of protecting the environment or of planning land use, upon which the Arkansas Public Service Commission has by ~~regulation~~ rule or order directed that service be made, in the area in which any portion of such facility is to be located, both as primarily and as alternatively proposed;

SECTION 2480. Arkansas Code § 23-18-513(a)(7)(L), concerning service or notice of an application for a certificate from the Arkansas Public Service Commission, is amended to read as follows:

(L) Any other state agency or department designated by Arkansas Public Service Commission ~~regulation~~ rule or order; and

SECTION 2481. Arkansas Code § 23-18-515(a), concerning amendment of certificates issued by the Arkansas Public Service Commission, is amended to read as follows:

(a) Upon application by an applicant, a certificate issued under this subchapter may be amended as provided in this section or in accordance with such simplified procedures as the Arkansas Public Service Commission may establish by reasonable rules ~~and regulations~~.

SECTION 2482. Arkansas Code § 23-18-519(d)(2), concerning decisions of the Arkansas Public Service Commission concerning an application for submission, is amended to read as follows:

(2) If at the time of filing the application or within sixty (60) days thereafter, the federal income tax laws and the state laws would permit the issuance of tax-exempt bonds to finance the construction of the proposed major utility facility for the applicant and if the commission determines that financing the major utility facility with such tax-exempt bonds would be in the best interests of the people of the state, the commission, after giving appropriate notice and an opportunity to be heard to the parties, shall have the power and authority to require by order or ~~regulation~~ rule that the major utility facility be financed in such manner as may be provided elsewhere by law.

SECTION 2483. Arkansas Code § 23-18-529(a)(2), concerning annual reports by public utilities detailing a forecast of loads and resources, is amended to read as follows:

(2) The forecast shall cover a period of at least two (2) calendar years next succeeding the date of the report, and such additional longer-range forecast reports as the commission may find necessary and may require by rule ~~or regulation~~ from time to time.

SECTION 2484. Arkansas Code § 23-18-529(a)(4), concerning decisions of the Arkansas Public Service Commission concerning an application for submission, is amended to read as follows:

(4) The report shall be in such form and shall contain such information as may be reasonably prescribed by the commission by rule ~~or regulation~~.

SECTION 2485. Arkansas Code § 23-18-903(b)(1)(A), concerning submittal of petitions for a financing order from the Arkansas Public Service Commission, is amended to read as follows:

(b)(1)(A) Proceedings on a petition submitted pursuant to subsection (a) of this section shall begin with a petition by an electric utility and shall be disposed of in accordance with the commission's rules ~~and regulations~~ promulgated pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq., except that the provisions of this section, to the extent applicable, shall control.

SECTION 2486. Arkansas Code § 23-35-202(a), concerning the authority of a State Credit Union Supervisor, is amended to read as follows:

(a) All state-chartered credit unions shall be supervised and regulated by the State Credit Union Supervisor acting pursuant to the authority delegated by this chapter. The supervisor shall be responsible for the enforcement of this chapter and the credit union bylaws, and he or she shall have the authority to adopt rules ~~and regulations~~ governing credit unions in a manner consistent with this chapter and other statutes of Arkansas.

SECTION 2487. Arkansas Code § 23-35-301 is amended to read as follows:

23-35-301. Procedure for obtaining charter.

(a) Any seven (7) or more residents of the State of Arkansas, of legal age, who have a common bond referred to in § 23-35-401 may organize a credit union and become charter members thereof by:

(1) Executing duplicate copies of the articles of incorporation, which shall state:

(A) The name, which shall include the words "credit union" and which shall be different from the name of any other existing credit

union, and the town or city wherein the proposed credit union is to have its principal place of business;

(B) The term of existence of the credit union, which shall be perpetual;

(C) The par value of the shares of the credit union, which shall be in one (1) class of five-dollar multiples of not less than five dollars ($5.00) nor more than twenty-five dollars ($25.00);

(D) The names and addresses of the subscribers to the articles of incorporation, and the number of shares subscribed by each; and

(E) That the credit union shall have the power to exercise such incidental powers as shall be necessary or requisite to enable it to carry on effectively the business for which it is incorporated;

(2) Preparing and adopting duplicate copies of bylaws for the general government of the credit union, consistent with the provisions of this chapter; and

(3) Forwarding the required charter fee, the articles of incorporation, and the bylaws to the State Credit Union Supervisor.

(b)(1) The supervisor shall have the authority to investigate the application for charter to determine whether the proposed credit union meets the objectives of this chapter.

(2) The determination for the approval of the application for charter shall be under such rules ~~and regulations~~ as shall be adopted by the supervisor. These rules ~~and regulations~~ shall give account to the number of potential members, their stability of employment or membership in the association comprising the common bond of membership, and the economic characteristics of the proposed common bond.

(3) If the supervisor determines that the proposed credit union does not meet these objectives, the charter application shall be denied. If the fee, articles of incorporation, and bylaws conform to the statute, he or she shall issue a certificate of approval of the articles and return a copy of the bylaws and the articles to the applicant, which shall be preserved in the permanent files of the credit union.

(c) The determination for the approval of the application for charter of a central credit union shall be made by the supervisor after an investigation as to the need for the credit union and upon satisfying himself or herself that the objectives of this chapter are met.

(d) The subscribers for a credit union charter shall not transact any business until formal approval of the charter has been received.

(e) In order to simplify the organization of credit unions, the supervisor shall cause to be prepared a form of articles of incorporation and a form of bylaws, consistent with this chapter, which may be used by credit union incorporators for their guidance.

(f) The minimum paid-in capital with which a credit union may begin business shall not be less than five thousand dollars ($5,000).

(g) The supervisor shall determine that a firm commitment to insure share and deposit accounts has been issued under the provisions of Title II of the Federal Credit Union Act before a charter application can be issued.

SECTION 2488. Arkansas Code § 23-35-602 is amended to read as follows:

23-35-602. Christmas and other thrift clubs.

Christmas clubs, vacation clubs, and other thrift clubs, if provided for the use of members, shall be operated in accordance with such rules ~~and regulations~~ as the board of directors of the credit union may prescribe.

SECTION 2489. Arkansas Code § 23-35-605 is amended to read as follows:

23-35-605. Reserves.

(a) At the end of each accounting period, the gross income shall be determined. From this amount, there shall be set aside, as a regular reserve against losses on loans and against such other losses as may be specified in ~~regulations~~ rules prescribed under this chapter, sums in accordance with the following schedule:

(1) A credit union in operation for more than four (4) years and having assets of five hundred thousand dollars ($500,000) or more shall set aside:

(A) Ten percent (10%) of gross income until the regular reserve shall equal four percent (4%) of the total of outstanding loans and risk assets; then

(B) Five percent (5%) of gross income until the regular reserve shall equal six percent (6%) of the total of outstanding loans and risk assets;

(2) A credit union in operation less than four (4) years or having assets of less than five hundred thousand dollars ($500,000) shall set

aside ten percent (10%) of gross income until the regular reserve shall equal seven and one-half percent (7½%) of the total of outstanding loans and risk assets; and

(3) Whenever the regular reserve falls below the stated percent of the total of outstanding loans and risk assets, it shall be replenished by regular contributions in such amounts as may be needed to maintain the stated reserve goals.

(b) The State Credit Union Supervisor may decrease the reserve requirement set forth in subsection (a) of this section when, in his or her opinion, a decrease is necessary or desirable. The supervisor may also require special reserves to protect the interests of members either by ~~regulation~~ rule or for an individual credit union in any special case.

(c) The reserve fund shall belong to the credit union and shall be used to meet all losses from uncollectable loans and shall not be distributed except on liquidation of the credit union or in accordance with a plan approved or ordered by the supervisor.

SECTION 2490. Arkansas Code § 23-35-607(a), concerning payment of dividends by the board of directors of a credit union, is amended to read as follows:

(a) At such intervals as the board of directors of the credit union may authorize and after provision for required reserves, the board may declare, pursuant to such ~~regulations~~ rules as may be issued by the State Credit Union Supervisor, a dividend to be paid at different rates on different types of shares and at different rates and maturity dates in the case of share certificates.

SECTION 2491. Arkansas Code § 23-35-702 is amended to read as follows:

23-35-702. Conversion to or from federal credit union.

The State Credit Union Supervisor shall issue ~~regulations~~ rules to permit the conversion of a credit union operating under this chapter to a federal credit union and the conversion of a federal credit union to a credit union operating under this chapter.

SECTION 2492. Arkansas Code § 23-36-105 is amended to read as follows:

23-36-105. Supervision by Bank Commissioner.

(a) Every institution transacting the business of an industrial loan institution as defined by this chapter, whether as a separate business or in connection with any other business, under the laws of and within this state, shall be subject to the provisions of this chapter and shall be under the supervision of the Bank Commissioner.

(b) The commissioner may make, at any time and from time to time, any examinations of the affairs of securities affiliates or other affiliates of industrial loan institutions which are necessary to disclose fully the relations between the industrial loan institutions and their affiliates and the effect of the ~~regulations~~ rules promulgated by the commissioner on the affairs of the industrial loan institutions.

(c) The commissioner shall exercise control of and supervision over industrial loan institutions doing business under this chapter. It shall be his or her duty to execute and enforce, through the state bank examiners and any other agents appointed for that purpose, all laws relating to industrial loan institutions as defined by this chapter.

(d) For the more complete and thorough enforcement of the provisions of this chapter, the commissioner is empowered to promulgate any rules~~, regulations,~~ and instructions, not inconsistent with this chapter, which may, in his or her opinion, be necessary to carry out the provisions of the laws relating to industrial loan institutions as defined in § 23-36-101 and which may be further necessary to ensure safe and conservative management of industrial loan institutions under his or her supervision to provide adequate protection for the interest of creditors, depositors, and stockholders in their relations with the institutions.

(e) All industrial loan institutions doing business under the provisions of this chapter shall conduct their business in a manner consistent with all laws relating to industrial loan institutions and all rules~~, regulations,~~ and instructions that may be promulgated or issued by the commissioner.

SECTION 2493. Arkansas Code § 23-36-110(a), concerning rules adopted by the Bank Commissioner concerning loans insured by the federal government, is amended to read as follows:

(a) Subject to any ~~regulations~~ rules which the Bank Commissioner finds to be necessary and proper, industrial loan institutions are authorized:

(1) To make loans and advances of credit and purchases of obligations representing loans and advancement of credit which are insured by the Federal Housing Administrator and to obtain such insurance;

(2) To make any loans secured by mortgages on real property which the administrator insures or makes a commitment to insure and to obtain such insurance; and

(3) To purchase, invest in, and dispose of notes or bonds secured by mortgage or deed of trust which the administrator has insured or made a commitment to insure in debentures issued by the administrator or in securities issued by the national mortgage associations.

SECTION 2494. Arkansas Code § 23-37-207(c), concerning powers and duties of the Supervisor of Savings and Loan Associations, is amended to read as follows:

(c)(1) The supervisor, after public hearing, notice of which has been given to every association in the state, shall have power and authority to issue rules ~~and regulations~~ governing the operation of associations in a manner consistent with this chapter and other applicable Arkansas laws. In addition, he or she shall have the power to make and promulgate any forms which are necessary for the administration of this chapter.

(2) These rules ~~and regulations~~ may from time to time be amended, modified, or repealed by the Savings and Loan Association Board [abolished] and shall have uniform application to all associations subject to the provisions of this chapter.

SECTION 2495. Arkansas Code § 23-37-302 is amended to read as follows:

23-37-302. Capitalization requirements generally.

The capitalization of a proposed stock or mutual association shall be in accordance with rules ~~and regulations~~ established by the Savings and Loan Association Board [abolished]. In establishing its requirements, the board may consider those requirements established by the Federal Savings and Loan Insurance Corporation [abolished], but its requirements may not be greater than those prescribed by that corporation.

SECTION 2496. Arkansas Code § 23-37-401 is amended to read as follows:

23-37-401. Powers commensurate with federal associations.

Irrespective of any limitations contained in this chapter, the Supervisor of Savings and Loan Associations may adopt rules ~~and regulations~~ authorizing or empowering any association chartered or operating under the provisions of this chapter to:

(1) Pay or give any premium or other concession for the opening or increasing of a savings account to the same extent that the payment of premiums or the granting of other concessions may be authorized for a federal association doing business in this state;

(2) Designate the legal relationship between the association and the holder of a savings account with the association and the name to be given the savings account in any advertising or public description of the savings account to the same extent that those designations and legal relationships are authorized for a federal association doing business in this state;

(3) Adopt any dividend or interest paying date or other procedure or practice with respect to the paying of interest or dividends authorized for a federal association doing business in this state;

(4) Adopt any business practice, procedure, method, or system authorized by a federal association doing business in this state, except nothing herein will permit an extension of a state savings and loan association's branching authority beyond the limitations of state law; and

(5) Make any loan or investment that a federal association doing business in this state is authorized to make.

SECTION 2497. Arkansas Code § 23-37-505(c)(5), concerning withdrawals from accounts, is amended to read as follows:

(5) The board may make and promulgate any rules ~~and regulations~~ which shall be required for the conduct of the business of an association for which withdrawals have been restricted pursuant to this subsection, with a view to the protection of the rights of the savings account holders, creditors, and members of the association, both with respect to savings account holders, creditors, and members who were such at the date of the restriction on withdrawals and those becoming savings account holders, creditors, or members after the restrictions have been imposed.

SECTION 2498. Arkansas Code § 23-37-703(b)(7), concerning rules governing the conversion of mutual association into a stock association, is

amended to read as follows:

(7) Any other information applicable to the conversion which the supervisor may by rule ~~or regulation~~ prescribe.

SECTION 2499. Arkansas Code § 23-37-811(d), concerning registration and reporting by certain regional financial institutions, is amended to read as follows:

(d) The board may establish ~~regulations~~ rules to carry out the purposes of this subchapter.

SECTION 2500. Arkansas Code § 23-39-512(b)(4)(C)(i), concerning public inspection of records filed with the Securities Commissioner, is amended to read as follows:

(i) All documents, records, transcripts, correspondence, and related memoranda and work products concerning examinations and other investigations and related litigation as authorized by law that pertain to or may disclose the possible violations by any person of any provision of any of the statutes~~,~~ or rules~~, or regulations~~ administered by the commissioner; and

SECTION 2501. Arkansas Code § 23-39-514(m)(1), concerning disciplinary authority of the Securities Commissioner, is amended to read as follows:

(m)(1) If it appears upon sufficient grounds or evidence satisfactory to the commissioner that any person or licensee has engaged in or is about to engage in any act or practice that violates this subchapter or any rule ~~or regulation~~ adopted or order issued under this subchapter or that the assets or capital of any licensee are impaired or the licensee's affairs are in an unsafe condition, the commissioner may:

(A) Refer the evidence which is available concerning violations of this subchapter or any rule~~, regulation,~~ or order issued under this subchapter to the appropriate prosecuting attorney or regulatory agency, that with or without the reference may institute the appropriate criminal or regulatory proceedings under this subchapter; and (B)(i) Summarily order the licensee or person to cease and desist from the act or practice under subdivisions (c)(1) and (e)(1) of this section and apply to the Pulaski County Circuit Court to enjoin the act or practice and to enforce compliance

with this subchapter or any rule~~, regulation,~~ or order issued under this subchapter, or both.

(ii) However, without issuing a cease and desist order, the commissioner may apply directly to the Pulaski County Circuit Court for injunctive or other relief.

SECTION 2502. Arkansas Code § 23-39-518(e)(9), concerning rules governing Arkansas's membership in a multistate automated licensing system for mortgage industry participants that are adopted by the Securities Commissioner, is amended to read as follows:

(9) The commissioner may adopt rules ~~and regulations~~ to fully implement the provisions of this section.

SECTION 2503. Arkansas Code § 23-40-108 is amended to read as follows:

23-40-108. Administration.

(a) This chapter shall be administered by the Insurance Commissioner.

(b) The commissioner is authorized to prescribe reasonable rules ~~and regulations~~ concerning keeping and inspection of records, the filing of contracts and reports, and all other matters incidental to the orderly administration of this chapter.

(c) The commissioner is authorized to employ the personnel necessary to carry out the provisions of this chapter and to fix their compensation within the amounts made available by appropriation.

(d) The commissioner may make and promulgate reasonable rules ~~and regulations~~ for the administration of this chapter and for the purpose of carrying out the intent hereof.

SECTION 2504. Arkansas Code § 23-40-110(a), concerning applications for initial or renewed permit, is amended to read as follows:

(a) Each organization desiring to sell prepaid funeral benefits or any organization desiring to purchase an interest in or assume the liability of any contract for prepaid funeral benefits shall file an application for a permit with the Insurance Commissioner. Each initial and renewal application for a permit shall contain such information which the commissioner by rule ~~or regulation~~ shall reasonably prescribe.

SECTION 2505. Arkansas Code § 23-40-111(b), concerning issuance of a permit by the Insurance Commissioner to an organization desiring to sell prepaid funeral benefits, is amended to read as follows:

(b)(1) The commissioner may deny an initial application for failure to meet the requirements of subsection (a) of this section or for the applicant's failure to comply with any material provision of this chapter or any valid rule ~~and regulation~~ that the commissioner has prescribed, after:

(A) Thirty (30) days' notice to the applicant or permittee setting forth the grounds for the cancellation, the denial of application for initial permit, or refusal to renew; and

(B) A hearing if the applicant or permittee requests a hearing.

(2) After notice to the licensee and after a hearing, the commissioner may suspend any permit under this chapter for up to thirty-six (36) months or may revoke or refuse to continue any permit under this chapter if the commissioner finds that:

(A) The licensee has failed to comply with any material provision of this chapter or any valid rule ~~and regulation~~ or order that the commissioner has prescribed;

(B) The licensee has obtained its permit through misrepresentation or fraud;

(C) An officer, director, or owner of the licensee has improperly withheld, misappropriated, or converted any moneys or properties received in the course of prepaid funeral contracts business to the licensee's own use;

(D) An officer, director, or owner of the licensee has been found to have committed any unfair trade practice or fraud during the course of prepaid funeral contracts business;

(E) The licensee has failed to provide a written response after receipt of a written inquiry from the commissioner or his or her representative as to transactions under the license within thirty (30) days after receipt thereof unless the commissioner or his or her representative knowingly waives the timely response requirement in writing;

(F) The licensee has refused to be examined or produce any of his or her accounts, records, and files for examination or has failed to cooperate with the commissioner in an investigation when requested by the

commissioner or his or her representative; or

(G) The licensee is in violation of any grounds under § 23-40-114(a) sufficient to subject the organization to delinquency proceedings.

(3)(A) If the commissioner finds that one (1) or more grounds exist for the suspension or revocation of any license, the commissioner may impose upon the licensee an administrative penalty in the amount of up to one thousand dollars ($1,000) per violation.

(B) If the commissioner finds willful misconduct or willful violation on the part of the licensee, the commissioner may impose upon the licensee an administrative penalty of up to five thousand dollars ($5,000) per violation.

(C) In addition to either penalty imposed under subdivision (b)(3)(A) or subdivision (b)(3)(B) of this section, the commissioner may also order restitution of actual losses to affected persons.

(4) If the commissioner finds in his or her order that the public health, safety, or welfare imperatively requires emergency action, the commissioner may summarily suspend any license issued by him or her but shall promptly hold an administrative hearing regarding the suspension.

(5)(A) Upon notice and hearing, if the commissioner finds that the licensee has violated a provision of the prepaid funeral benefits laws of this state or any rule~~, regulation,~~ or order of the commissioner and that the licensee has previously violated provisions of the prepaid funeral benefits laws of this state or any rule~~, regulation,~~ or order of the commissioner, the commissioner may:

(i) Take judicial notice of previous orders against the licensee; and

(ii) Enhance or increase the penalties ordered in the current proceeding against the licensee.

(B) The commissioner may enter an order under subdivision (b)(5)(A) of this section by:

(i) The commissioner's own order; or

(ii) An order entered with the consent of the parties.

(C) The commissioner shall incorporate a finding under subdivision (b)(5)(A) of this section in any order issued under this

subdivision (b)(5).

SECTION 2506. Arkansas Code § 23-40-114(e) and (f), concerning requirements for contracts for prepaid funeral benefits pursuant to a trust fund, are amended to read as follows:

(e) The commissioner shall first approve and authorize in writing any transfer of funds from an existing trustee to a proposed new trustee if the proposed new trustee meets the requirements of this chapter and the rules ~~and regulations~~ promulgated thereunder.

(f) The licensee shall file a request for a transfer of funds, together with a filing fee of two hundred fifty dollars ($250), and any other information required by rule ~~or regulation~~.

SECTION 2507. Arkansas Code § 23-40-116 is amended to read as follows:

23-40-116. Trust funds — Disbursements.

The trustee shall disburse money or other property from the trust fund only as follows:

(1) Upon the death of the contract beneficiary and upon proper proof and documentation being submitted to and approved by the Insurance Commissioner, or pursuant to such other method as may be permitted under valid rules ~~and regulations~~ adopted by the commissioner, in which event the contract proceeds shall be paid to the seller;

(2) Upon cancellation of the prepaid contract pursuant to § 23-40-122 and upon proper proof and documentation being submitted to and approved by the commissioner, or pursuant to such other method as may be permitted under valid rules ~~and regulations~~ adopted by the commissioner;

(3) Upon the breach of contract by either party, in which event the contract proceeds shall be paid according to a judgment of a court of competent jurisdiction; or

(4) Upon the withdrawal of net investment income or surplus by the seller, which may be made at any time and from time to time.

SECTION 2508. Arkansas Code § 23-40-119(d), concerning annual reporting to the Insurance Commissioner, is amended to read as follows:

(d)(1)(A)(i)(a) Effective for all prepaid funeral benefits contracts executed on and after April 1, 1997, each licensee selling a prepaid funeral

benefits contract shall remit to the State Insurance Department a one-time, per-contract fee of not less than five dollars ($5.00) for each prepaid funeral benefits contract, including any amendments thereto, entered into by the licensee, whether cash or trust funded or funded by an insurance policy or annuity contract, unless the per-contract fees are otherwise eliminated or suspended by the commissioner pursuant to a rule ~~or regulation~~.

(b) However, the per-contract fees once eliminated or suspended by rule of the commissioner may be reinstated by subsequent rule ~~and regulation~~ of the commissioner adopted upon a public hearing at a later date upon the commissioner's determination that these fees are essential and necessary to the operation of the Division of Prepaid Funeral Benefits of the State Insurance Department.

(ii) On and after July 1, 2001, the commissioner shall then transfer from each per-contract fee remitted to the department, into the Prepaid Funeral Contracts Recovery Program Fund pursuant to this act a portion of the fee in an amount to be determined by rules ~~and regulations~~ of the commissioner and thereafter to be administered by the commissioner with advice from the Prepaid Funeral Contracts Recovery Program Board, pursuant to the provisions of this subchapter.

(B) The per-contract fees shall be remitted quarterly to the department for each quarter of the calendar year with a quarterly fee form as prescribed by the commissioner.

(C) The fees shall be remitted to the department no later than forty-five (45) days after each quarter.

(2)(A)(i) On and after July 1, 2001, the commissioner may by rule ~~or regulation~~ eliminate, reduce, suspend, or increase the per-contract fee or the portion of the per-contract fee allotted to the Prepaid Funeral Contracts Recovery Program Fund.

(ii) The per-contract fee may be charged to the purchaser of the contract.

(B) Any fee so charged and collected shall not be included in the term "contract proceeds" as defined in § 23-40-103(4) and shall not be subject to the deposit requirements of § 23-40-114(a).

SECTION 2509. Arkansas Code § 23-40-119(f)(2) and (3), concerning annual reporting to the Insurance Commissioner, are amended to read as

follows:

(2) Purchasers of prepaid funeral contracts requesting any discretionary relief from the Prepaid Funeral Contracts Recovery Program Fund after July 1, 2001, may include the contract holder or his or her surviving family representative or such other person as described in rules ~~and regulations~~ of the department.

(3) The commissioner may by rule ~~and regulation~~ describe the procedures, claim forms, qualifications, and process of filing a claim for aggrieved purchasers desiring to make a claim for reparations from any excess funds.

SECTION 2510. Arkansas Code § 23-40-125(g)(2), concerning enforcement powers of the Insurance Commissioner under the Prepaid Funeral Contracts Recovery Program Fund, is amended to read as follows:

(2) The commissioner may suspend fees or unused funds transfers or deposits into the fund at any time and for any period for which the commissioner determines that a sufficient amount is available to meet likely disbursements and to maintain an adequate reserve in compliance with a rule ~~and regulation~~ of the commissioner.

SECTION 2511. Arkansas Code § 23-42-105(b), concerning criminal offenses for violation of the Arkansas Securities Act, is amended to read as follows:

(b) For the purposes of venue for any civil or criminal action under this chapter, any violation of this chapter or of any rule~~, regulation,~~ or order promulgated hereunder shall be considered to have been committed in:

(1) Any county in which any act was performed in furtherance of the transaction which violated this chapter;

(2) Any county in which the principal or an aider or abettor initiated or acted in furtherance of a course of conduct;

(3) Any county from which any violator gained control or possession of any proceeds of the violation or of any books, records, documents, or other material or objects which were used in furtherance of the violation; or

(4) Any county from which or into which the violator directed any postal, telephonic, electronic, or other communication in furtherance of

the violation.

SECTION 2512. Arkansas Code § 23-42-207(b)(4)(C), concerning exemptions to the public inspection requirements of the Arkansas Securities Act, is amended to read as follows:

(C) Investigatory records include all documents, records, transcripts, correspondence, and related memoranda and work product concerning examinations and other investigations and related litigation as authorized by law, which pertain to or may disclose the possible violations by any person of any provision of any of the statutes~~,~~ or rules~~, or regulations~~ administered by the commissioner, and all written communications from or to any person confidentially complaining or otherwise furnishing information respecting the possible violations, as well as all correspondence and memoranda in connection with the confidential complaints or information;

SECTION 2513. Arkansas Code § 23-42-211(b), concerning the Securities Department Fund, is amended to read as follows:

(b) The department is authorized to promulgate such rules ~~and regulations~~ necessary to administer the fees, rates, tolls, or charges for services established by this section and is directed to prescribe and collect such fees, rates, tolls, or charges for the services by the department in such manner as may be necessary to support the programs of the department as directed by the Governor and the General Assembly.

SECTION 2514. Arkansas Code § 23-42-304 is amended to read as follows:

23-42-304. Filing fees — Rules ~~and regulations~~.

(a) Every applicant for initial or renewal registration and every person making a notice filing as required by § 23-42-301(c) shall pay a filing fee of:

(1) Three hundred dollars ($300) in the case of a broker-dealer;

(2) Seventy-five dollars ($75.00) in the case of an agent, of which twenty-five dollars ($25.00) shall be designated as special revenues and shall be deposited into the Securities Department Fund;

(3) Three hundred dollars ($300) in the case of an investment adviser;

(4) Seventy-five dollars ($75.00) in the case of a

representative, of which twenty-five dollars ($25.00) shall be designated as special revenues and shall be deposited into the Securities Department Fund;

(5) Fifty dollars ($50.00) in the case of a branch office, of which the entire amount shall be designated as special revenues and deposited into the Securities Department Fund; and

(6) Three hundred dollars ($300) in the case of an exempt reporting adviser or investment adviser to a private fund that complies with exemption requirements.

(b) After an application for registration has been processed, in whole or in part, any filing fee shall be nonrefundable.

(c) The State Securities Department is hereby authorized to promulgate such rules ~~and regulations~~ necessary to administer the fees, rates, tolls, or charges for services established by this section and § 23-42-404 and is directed to prescribe and collect such fees, rates, tolls, or charges for the services by the department in such manner as may be necessary to support the programs of the department as directed by the Governor and the General Assembly.

SECTION 2515. Arkansas Code § 23-42-404(o), concerning rule-making authority of the State Securities Department, is amended to read as follows:

(o) The State Securities Department is hereby authorized to promulgate such rules ~~and regulations~~ necessary to administer the fees, rates, tolls, or charges for services established by this section and § 23-42-304 and is directed to prescribe and collect the fees, rates, tolls, or charges for the services by the department in the manner that may be necessary to support the programs of the department as directed by the Governor and the General Assembly.

SECTION 2516. Arkansas Code § 23-44-107(b), concerning record requirements for exchanges and boards of trade, is amended to read as follows:

(b) The associations shall be composed of not fewer than twenty-five (25) active members and shall adopt a uniform set of rules ~~and regulations~~ not inconsistent with the laws of Arkansas and of the United States.

SECTION 2517. Arkansas Code § 23-45-102(a)(10), concerning the

definition of "capital base", is amended to read as follows:

(10) “Capital base” means the sum of capital, surplus, and undivided profits, plus any additions and less any subtractions which the Bank Commissioner may by ~~regulation~~ rule prescribe;

SECTION 2518. Arkansas Code § 23-45-102(a)(16) and (17), concerning the definitions of "department regulations" and “deposit”, are amended to read as follows:

(16) “Department ~~regulations~~ rules” or “department ~~regulation~~ rule” means ~~regulations~~ rules promulgated by the commissioner with the approval of the State Banking Board;

(17) “Deposit” and “deposit account” mean the unpaid balance of money or its equivalent received or held by a bank in the usual course of its banking business and which represents a liability of the bank, for which it has given or is obligated to give credit, either conditionally or unconditionally, to a checking, savings, time or similar account, or that is evidenced by its certificate of deposit or similar certificate or a check or draft drawn against a deposit account and certified by the bank or a draft or cashier’s, officer’s, or traveler’s check or money order or similar instrument on which the bank is primarily liable, and that has not been paid and other obligations or instruments of a bank that may be included in the definition of “deposit” or “deposit account” in department ~~regulations~~ rules;

SECTION 2519. Arkansas Code § 23-45-102(a)(30), concerning the definition of "capital base", is amended to read as follows:

(30) “Order” means all or any part of the final disposition, whether affirmative, negative, injunctive, or declaratory in form, by the commissioner or the State Banking Board, of any matter other than the making of ~~regulations~~ rules of general application;

SECTION 2520. Arkansas Code § 23-46-101(a), concerning confidentiality of certain records of the State Bank Department, is amended to read as follows:

(a) Notwithstanding the Freedom of Information Act of 1967, § 25-19-101 et seq., the following records of the State Bank Department shall be confidential and shall not be exhibited or revealed to the public except as

stated in this section or in accordance with department ~~regulations~~ rules:

(1) All examination reports filed with the department;

(2) All records disclosing information obtained from examinations;

(3) Investigations and reports revealing facts concerning a financial institution or the customers of a financial institution; and

(4) All personal financial statements submitted to the department for any purpose.

SECTION 2521. Arkansas Code § 23-46-101(c), concerning disclosure of certain records of the State Bank Department, is amended to read as follows:

(c) The commissioner shall have the power to promulgate ~~regulations~~ rules with regard to disclosure of confidential information.

SECTION 2522. Arkansas Code § 23-46-203(c), concerning the official seal of the State Bank Department, is amended to read as follows:

(c)(1) Whenever it is necessary for the commissioner to approve any instrument and to affix the official seal thereto, the commissioner shall charge a fee as provided by ~~regulation~~ rule for affixing his or her approval and the official seal to the instrument.

(2) Copies of all records and papers in the office of the department certified by the commissioner and authenticated by the seal shall be received in evidence in all cases equally and of like effect as the originals thereof.

(3) Whenever it is proper to furnish a copy of any paper filed in the department and to certify that paper, the commissioner may charge a fee as provided by department ~~regulation~~ rule.

SECTION 2523. Arkansas Code § 23-46-205(b) and (c), concerning the powers and duties of the Bank Commissioner, are amended to read as follows:

(b)(1) The commissioner shall have the power to issue such rules ~~and regulations~~ as may be necessary or appropriate to carry out the intent and purposes of all those laws and to issue cease and desist orders against any financial institution, or an officer, director, or employee of any financial institution, found to be violating federal banking laws or regulations, violating the banking laws of this state or State Bank Department ~~regulations~~

rules, violating any regulatory agreement, or jeopardizing the safety and soundness of any financial institution.

(2)(A) The commissioner may issue rules ~~or regulations~~ only with the approval and consent of the State Banking Board, but he or she shall have the power to issue cease and desist orders upon his or her own motion.

(B) Nothing in this section shall be construed to curtail the commissioner's power to issue emergency rules ~~and regulations~~ with the approval and consent of the board.

(3)(A) Any person subject to a cease and desist order issued by the commissioner who refuses or fails to comply with the terms of the order may be assessed a monetary penalty for the failure to comply with the provisions of the cease and desist order after a ten-day notice given by the commissioner to the institution or person subject to the order.

(B) The amount of the monetary penalty shall not exceed one thousand dollars ($1,000) per day of violation against each institution and each officer, director, or employee contributing to the institution's or the individual's failure to comply with the provisions of the cease and desist order.

(C) Subject to such a limitation, the amount of the monetary penalty shall be determined by the commissioner.

(4) The commissioner has grounds for and may issue a cease and desist order for the permanent or temporary removal of an officer, director, employee, agent, or any other person participating in the affairs of or otherwise connected with a financial institution, or any affiliate thereof, subject to the supervision of the commissioner from service to any institution or affiliate subject to the supervision of the commissioner if he or she is found by the commissioner to be or to have been:

(A) Violating state or federal law, rules and regulations of a federal financial institution's regulatory agency, or State Bank Department ~~regulations~~ rules;

(B) Acting incompetently, recklessly, or dishonestly;

(C) Indicted of a crime involving moral turpitude; or

(D) Otherwise impairing the safety and soundness of the financial institution.

(5)(A) Any person aggrieved and directly affected by an order of the commissioner issued pursuant to this section is entitled to judicial

review.

(B) A person so aggrieved may seek judicial review by petition to a circuit court having jurisdiction in the matter.

(C) The petition must be filed within thirty (30) days from the date of issuance of the order.

(D) If no petition for review is filed within thirty (30) days from the date of issuance of the order, the order may not be appealed and is permanently binding upon the person until terminated by the commissioner.

(c) State Bank Department ~~regulations~~ rules shall be distributed, in form and method selected by the commissioner, to all state banks chartered in the State of Arkansas.

SECTION 2524. Arkansas Code § 23-46-205(e)(1), concerning the powers and duties of the Bank Commissioner, is amended to read as follows:

(e)(1) As soon as practicable after acceptance of any application referred to either in the Arkansas Banking Code of 1997 or in State Bank Department ~~regulations~~ rules for filing, regardless of whether the application is of a type referred to in § 23-46-403, and receipt of the filing fee therefor, the commissioner shall cause the merits of the application to be investigated.

SECTION 2525. Arkansas Code § 23-46-207(b)(1), concerning prohibiting employees or officers of the State Bank Department from holding certain personal financial interests, is amended to read as follows:

(1) Be a depositor in any financial institution that the department regulates and participate in such overdraft programs associated with such deposit relationships as the commissioner may, by ~~regulation~~ rule, allow; and

SECTION 2526. Arkansas Code § 23-46-304(c), concerning powers of the State Banking Board, is amended to read as follows:

(c)(1) Filing with the commissioner of any application or document required by the Arkansas Banking Code of 1997 or by department ~~regulations~~ rules shall be public notice of the matters contained in that application or document.

(2) The commissioner shall maintain the applications or documents in his or her custody.

(3) Upon request, the commissioner shall provide verification of the filing and reasonable access to inspection by the public.

(4) Nothing in this section shall be construed to modify the prohibitions upon the disclosure of confidential information contained in § 23-46-101 or the commissioner's authority to issue ~~regulations~~ rules concerning the disclosure of confidential information.

SECTION 2527. Arkansas Code § 23-46-402(e), concerning meetings of the State Banking Board, is amended to read as follows:

(e) The board may also hold regular meetings on dates fixed in its procedures, policies, and ~~regulations~~ rules.

SECTION 2528. Arkansas Code § 23-46-403 is amended to read as follows:

23-46-403. Applications.

When any of the following applications are filed with the Bank Commissioner, the sponsors of the applications shall give notice of filing in accordance with State Bank Department ~~regulations~~ rules:

(1) An application for the issuance of a new state bank charter;

(2) An application for the merger or consolidation of one (1) or more banks into a state bank;

(3) An application for the merger or consolidation of one (1) or more savings and loan associations into a state bank;

(4) An application for the purchase by one (1) state bank of greater than fifty percent (50%) of the assets of another depository institution or an application for the assumption by one (1) state bank of greater than fifty percent (50%) of the liabilities of another depository institution; or

(5) An application for the change of a state bank's place of business from one municipality to another.

SECTION 2529. Arkansas Code § 23-46-404 is amended to read as follows:

23-46-404. Applications fees — Bank Commissioner's ~~regulations~~ rules.

(a) The State Banking Board shall have the power to set and impose fees for any and all applications, regardless of whether the applications are

of a type described in § 23-46-403, which are reasonably calculated to defray the costs associated with the consideration, investigation, and processing of those applications.

(b)(1) The Bank Commissioner may issue rules ~~and regulations~~ specifying the circumstances under which any application must be filed and the procedural and substantive requirements governing the filing of any and all applications of whatever type.

(2) The commissioner may also issue rules ~~and regulations~~ requiring the submission of applications that are not described in the Arkansas Banking Code of 1997.

SECTION 2530. Arkansas Code § 23-46-406(a)(2), concerning persons protesting applications for a hearing by the State Banking Board, is amended to read as follows:

(2) The protest must be accompanied by a filing fee of not less than two thousand dollars ($2,000) nor more than five thousand dollars ($5,000) for each protestant, such amount to be set by State Bank Department ~~regulation~~ rule.

SECTION 2531. Arkansas Code § 23-46-503(c)(4)(B)(i), concerning examinations of state banks or subsidiary trust companies by the Bank Commissioner, is amended to read as follows:

(i) Violating state or federal law, rules and regulations of a federal regulatory agency, or department ~~regulations~~ rules;

SECTION 2532. Arkansas Code § 23-46-505 is amended to read as follows:

23-46-505. Noncompliance with banking law — Special examinations.

Whenever it shall come to the knowledge of the Bank Commissioner that any state bank or subsidiary trust company has failed or refused to comply with any of the provisions of the Arkansas Banking Code of 1997, with any provision of federal law or federal regulations applicable to financial institutions, with any ~~department~~ State Bank Department ~~regulations~~ rules, or with any direction of the commissioner made specifically to that state bank or subsidiary trust company as a result of an examination into its affairs, he or she is authorized, as a penalty for that failure or refusal, to make a special examination of the state bank or subsidiary trust company, to charge

and collect the same fees therefor as for a regular examination, and to continue such examinations and charges at intervals of thirty (30) days or less until such provisions, regulations, rules, and directions are complied with.

SECTION 2533. Arkansas Code § 23-47-508(c), concerning authority of the Bank Commissioner concerning disposition of real estate that was acquired through debt collection, is amended to read as follows:

(c) Real estate held pursuant to this section shall be considered an asset of the bank. The value of the asset shall be based upon fair market value supported by an appraisal or appropriate evaluation when the bank acquires ownership of the property or as established by ~~regulation~~ rule of the commissioner.

SECTION 2534. Arkansas Code § 23-46-511(d), concerning retention of certain records by state banks and subsidiary trust companies, is amended to read as follows:

(d) The commissioner shall issue ~~regulations~~ rules, with the approval of the board, prescribing the period for which records must be maintained. The periods may be permanent or for a term of years.

SECTION 2535. The introductory language of Arkansas Code § 23-47-101(a), concerning general powers of state banks, is amended to read as follows:

(a) Subject to any State Bank Department ~~regulations~~ rule and consistent with any restrictions imposed by the Arkansas Banking Code of 1997, each state bank shall, unless it shall be determined to be unsafe and unsound by the Bank Commissioner, and without specific mention thereof in its articles of incorporation, have the following powers and be permitted, in addition to other powers conferred upon it by other provisions of law:

SECTION 2536. Arkansas Code § 23-47-208(c), concerning rulemaking authority of the Bank Commissioner over deferred income investment accounts, is amended to read as follows:

(c) The Bank Commissioner shall promulgate such rules ~~and regulations~~ as may be necessary and proper to carry out the intent and purpose of this

section and to issue cease and desist orders to any state bank found to be violating this section or State Bank Department ~~regulations~~ rules. These department ~~regulations~~ rules shall incorporate §§ 23-81-121 — 23-81-128, where applicable.

SECTION 2537. Arkansas Code § 23-47-401(d), concerning rulemaking authority of the State Bank Department over a state bank's investment powers, is amended to read as follows:

(d) A state bank may invest in any investment not described in subsections (a) and (b) of this section as may be authorized by State Bank Department ~~regulations~~ rules.

SECTION 2538. Arkansas Code § 23-47-601(a), concerning Bank Commissioner approval and conditions on a state bank's operation of subsdiaries, is amended to read as follows:

(a)(1) With the prior approval of the Bank Commissioner, and subject to such conditions as may be prescribed by him or her, a state bank may engage in any activities which are a part of the business of banking or incidental thereto by means of an operating subsidiary and other activities permissible for state banks or their subsidiaries under statutory authority or as authorized by ~~regulations~~ rules of the State Banking Board.

(2) For purposes of this section, an operating subsidiary in which a state bank may invest includes a corporation, limited liability company, or similar entity if the parent bank owns more than fifty percent (50%) of the voting, or similar type of controlling, interest of the subsidiary; or the parent bank otherwise controls the subsidiary and no other party controls more than fifty percent (50%) of the voting, or similar type of controlling interest, of the subsidiary.

(3) Subsidiaries which are not subject to this section are:

(A) A subsidiary in which the state bank's investment is made and limited pursuant to specific authorization in a statute or by ~~regulation~~ rule; and

(B) A subsidiary, in which the state bank has acquired, in good faith, shares through foreclosure on collateral, by way of compromise of a doubtful claim, or to avoid loss in connection with a debt previously contracted.

SECTION 2539. Arkansas Code § 23-47-708(b)(1), concerning restrictions on authority of state banks to operate a trust department, is amended to read as follows:

(1) Shall no longer operate a trust department or be subject to the provisions of this subchapter or State Bank Department ~~regulations~~ rules made pursuant thereto;

SECTION 2540. Arkansas Code § 23-48-105(d)(1), concerning rulemaking authority of the State Bank Department over agency agreements of state banks, is amended to read as follows:

(d)(1) If any proposed service is not specifically designated in subsection (b) of this section, and has not previously been approved in a State Bank Department ~~regulation~~ rule, the commissioner shall decide whether to approve the offering of the service after receipt of the notice required in subsection (c) of this section.

SECTION 2541. Arkansas Code § 23-48-202 is amended to read as follows:

23-48-202. Reserve requirements.

A state bank not a member of the Federal Reserve System shall maintain at all times a reserve fund as required by the Federal Reserve Board, unless otherwise provided by State Bank Department ~~regulations~~ rules.

SECTION 2542. Arkansas Code § 23-48-203 is amended to read as follows:

23-48-203. Payment of dividends.

Any state bank may, from time to time, declare and pay dividends in accordance with State Bank Department ~~regulations~~ rules.

SECTION 2543. Arkansas Code § 23-48-301(b), concerning applications to incorporate as a state bank, is amended to read as follows:

(b) An application for authority to organize a state bank shall be submitted to the commissioner in the form that the commissioner may prescribe and shall include the information set forth in this subsection and subsection (c) of this section, and contain additional information which the commissioner may require. Five (5) copies of the proposed articles of incorporation and proposed bylaws shall be filed with the application. The

application and articles of incorporation shall be signed by each of the incorporators, and shall be accompanied by a filing fee of not more than fifteen thousand dollars ($15,000) as set by State Bank Department ~~regulations~~ rules, which shall not be refundable.

(1) The name, citizenship, residence, and occupation of each incorporator, and of each of the initial directors, and the name and address of each stock subscriber, and the amount of stock paid for by each;

(2) The name and address of an individual within the state to whom notice to all incorporators may be sent;

(3) The total initial capital and the number of shares of each class of the capital stock to be authorized;

(4) The corporate name;

(5) The proposed location of the main banking office;

(6) If known, the name and residence of the proposed president or chief executive officer, operations officer, and, if applicable, the name and address of the proposed trust officer;

(7) The names of the natural persons who propose to own or control more than five percent (5%) of the capital stock;

(8) The past and present connection with any depository institution, financial institution, or national trust company, other than as a customer on terms generally available to the public, of each proposed director and each subscriber to more than five percent (5%) of the capital stock;

(9) Evidence of the character, financial responsibility, and ability of the incorporators and proposed directors;

(10) A brief statement of the purposes for which the state bank is incorporated, and whether it shall operate a trust department;

(11) The term for which the state bank is to exist, which shall be perpetual unless otherwise limited;

(12) A statement signed and verified by the incorporators that the capital stock has been fully subscribed and the purchase price therefor has been paid into an escrow account approved by the commissioner and that the requirements of § 23-48-310 have been met;

(13) Proof that application for federal deposit insurance has been made; and

(14) Recitation of the need for and advisability of the approval

to organize.

SECTION 2544. Arkansas Code § 23-48-306(c), concerning relocation of a state bank, is amended to read as follows:

(c) Each application for authority to change a state bank's place of business shall be accompanied by a fee as shall be set by State Bank Department ~~regulation~~ rule, which fee shall be paid to the department.

SECTION 2545. Arkansas Code § 23-48-308(e)(2), concerning the application fee for a state bank requesting an amendment to its articles of incorporation, is amended to read as follows:

(2) The fee shall be set by State Bank Department ~~regulation~~ rule and shall be paid to the department.

SECTION 2546. Arkansas Code § 23-48-317(c)(1), concerning the fee for an application to change ownership of a state bank, is amended to read as follows:

(c)(1) Any transferee seeking to acquire twenty-five percent (25%) or more of the capital stock of a state bank or Arkansas bank holding company shall file with the commissioner an application for approval submitted to the commissioner in the form that the commissioner may prescribe, the application to be accompanied by a filing fee of not less than five hundred dollars ($500) nor more than five thousand dollars ($5000) as set by State Bank Department ~~regulation~~ rule.

SECTION 2547. Arkansas Code § 23-48-403 is amended to read as follows:

23-48-403. Penalties.

(a) Any person who willfully violates any provision of this subchapter or order issued by the Bank Commissioner pursuant to this subchapter or any State Bank Department ~~regulation~~ rule is guilty of a Class A misdemeanor.

(b) Any person who willfully participates in a violation of any provision of this subchapter is guilty of a Class A misdemeanor.

SECTION 2548. Arkansas Code § 23-48-404 is amended to read as follows:

23-48-404. Administration.

The Bank Commissioner is authorized to and shall administer and carry

out the provisions of this subchapter and shall issue such ~~regulations~~ rules and orders as may be necessary to discharge this duty and to prevent evasions of this subchapter.

SECTION 2549. Arkansas Code § 23-48-701(2), concerning the definition of "healthy bank", is amended to read as follows:

(2) "Healthy bank" means a state bank whose financial condition satisfies the criteria established by State Bank Department ~~regulation~~ rule; and

SECTION 2550. Arkansas Code § 23-48-702(d)(2), concerning the notice fee to be paid to the Bank Commissioner when relocating any existing full-service branch, is amended to read as follows:

(2) A fee of not less than three hundred dollars ($300) nor more than five hundred dollars ($500) established by State Bank Department ~~regulation~~ rule shall accompany the notice.

SECTION 2551. Arkansas Code § 23-48-703(b)-(e), concerning the State Bank Department fees and application requirements necessary to establish a full-service branch bank, are amended to read as follows:

(b) The sponsor of a full-service branch application may file an application with the commissioner by:

(1) Paying a filing fee established by State Bank Department ~~regulation~~ rule of not less than three hundred dollars ($300) nor more than five hundred dollars ($500); and

(2) Not less than thirty (30) days prior to filing the application, publishing notice of the application one (1) time per week for four (4) consecutive weeks in a newspaper of statewide circulation.

(c) The commissioner:

(1) May establish by ~~regulation~~ rule an expedited application process and procedure for the approval of a healthy bank full-service branch application; and

(2) Shall approve a healthy bank full-service branch application unless the commissioner determines that approving the application is not consistent with the standards provided in subsection (a) of this section.

(d)(1) The commissioner shall give notice of the filing of an

application under subsection (b) or subsection (c) of this section to all Arkansas state-chartered banks with a bank or a full service branch currently open and operating within the market area of the proposed new branch.

(2) The procedure for giving notice and the parameters of the market area shall be established by State Bank Department ~~regulation~~ rule.

(e)(1) A written protest to a full-service branch application may be filed with the commissioner within fifteen (15) days of the filing of the application.

(2) The protest shall include:

(A) A detailed explanation of the protesting party's reasons why the commissioner should deny the application; and

(B) A filing fee established by department ~~regulation~~ rule of not less than three hundred dollars ($300) nor more than five hundred dollars ($500).

SECTION 2552. Arkansas Code § 23-48-906(b), concerning the authority of state banks to operate additional branches, is amended to read as follows:

(b) A state bank may conduct any activities at any branch outside Arkansas which are permissible for a bank chartered by the host state in which the branch is located, provided that the Bank Commissioner may prohibit any state bank from engaging in any activity not expressly allowed by the Arkansas Banking Code of 1997 if the commissioner determines, by order or ~~regulation~~ rule, that the involvement of out-of-state branches of state banks in such activities would threaten the safety or soundness of state banks.

SECTION 2553. Arkansas Code § 23-48-907(f)(1), concerning supervisory and examination fees for out-of-state state-chartered banks, is amended to read as follows:

(f)(1) Each out-of-state state-chartered bank that maintains one (1) or more branches in Arkansas may be assessed and, if assessed, shall pay supervisory and examination fees in accordance with the Arkansas Banking Code of 1997 and ~~regulations~~ rules of the commissioner.

SECTION 2554. Arkansas Code § 23-48-909 is amended to read as follows:

23-48-909. ~~Regulations~~ Rules.

The Bank Commissioner, with the approval of the State Banking Board,

may promulgate ~~regulations~~ rules that he or she determines to be necessary or appropriate in order to implement the provisions of this subchapter.

SECTION 2555. Arkansas Code § 23-48-1009(5), concerning revocation of the certificate of authority of a registered out-of-state bank, is amended to read as follows:

(5) The out-of-state bank or an officer, director, or employee thereof is found to be violating federal banking laws or regulations, violating the banking laws of this state or department ~~regulations~~ rules, violating any regulatory agreement, or jeopardizing the safety and soundness of the out-of-state bank;

SECTION 2556. Arkansas Code § 23-49-102(a)(5), concerning the Bank Commissioner's and State Bank Department's authority to take possession of the business and property of an institution under his or its supervision under certain circumstances, is amended to read as follows:

(5) Has substantially dissipated assets or earnings due to:

(A) Any violation of any law or ~~regulation~~ rule; or

(B) An unsafe or unsound practice;

SECTION 2557. Arkansas Code § 23-49-118(a), concerning the filing of articles of dissolution, is amended to read as follows:

(a) The articles of dissolution shall be executed in duplicate and presented in duplicate to the State Bank Department accompanied by fees prescribed by department ~~regulations~~ rules.

SECTION 2558. Arkansas Code § 23-49-119(g), concerning submittal of an application for approval of dissolution to the State Bank Department, is amended to read as follows:

(g) Each application for approval of a voluntary dissolution shall be accompanied by a fee as shall be set by State Bank Department ~~regulations~~ rules and shall be paid to the department.

SECTION 2559. Arkansas Code § 23-50-101 is amended to read as follows:

23-50-101. Prosecution of violations — Nonliability of commissioner.

(a) The Bank Commissioner may initiate any appropriate civil or

administrative action or remedy upon discovering a violation of the Arkansas Banking Code of 1997 or any other statute or ~~regulation~~ rule the enforcement of which is within the scope of his or her duty.

(b) Civil, administrative, or criminal actions initiated by the commissioner under this section which expose him or her or his or her estate to personal liability for damages, or otherwise, shall be defended by the State of Arkansas, and judgments, if any shall be obtained against him or her or his or her estate, shall be borne by the State of Arkansas.

(c) No person shall be subjected to any civil or criminal liability for any act or omission to act in good faith reliance upon an order or ~~regulation~~ rule of the State Bank Department notwithstanding a subsequent decision by a court invalidating the order or ~~regulation~~ rule.

SECTION 2560. Arkansas Code § 23-50-102(a)(1), concerning penalties for violation of State Bank Department rules, is amended to read as follows:

(a)(1) If the directors of any institution under the supervision of the State Bank Department shall knowingly violate or knowingly permit any of its officers, agents, or servants to violate any of the laws enacted for the ~~regulation~~ rule of any such institutions or any department ~~regulations~~ rules, all rights, privileges, and franchises of the institution shall be subject to forfeiture.

SECTION 2561. Arkansas Code § 23-51-102(a)(10), concerning the definition of "capital base", is amended to read as follows:

(10) “Capital base” means the sum of capital, surplus, and undivided profits, plus any additions and less any subtractions which the commissioner may by ~~regulation~~ rule prescribe;

SECTION 2562. Arkansas Code § 23-51-102(a)(21)(C)(iv)-(vi), concerning the definition of "hazardous condition", are amended to read as follows:

(iv) Violates or refuses to comply with this chapter, another statute or ~~regulation~~ rule applicable to trust companies, or any final and enforceable order of the commissioner;

(v) Is in a condition that renders the continuation of a particular business practice hazardous to its clients and creditors; or

(vi) Conducts business in an unsafe or unsound

manner, which includes, but is not limited to conducting business with:

(a) Inexperienced or inattentive management;

(b) Potentially dangerous operating practices;

(c) Infrequent or inadequate audits;

(d) Administration of assets that is notably deficient in relation to the volume and character or responsibility for asset holdings;

(e) Failure to adhere to sound administrative practices;

(f) Frequent occurrences of violations of laws, ~~regulations~~ rules, or terms of the governing instruments; or

(g) Engaging in self-dealing or evidencing a notable degree of potential or actual conflicts of interest;

SECTION 2563. Arkansas Code § 23-51-102(b), concerning interpretation of the definitions within the Arkansas Trust Institutions Act, is amended to read as follows:

(b) These definitions shall be liberally construed to accomplish the purposes of this chapter. The commissioner by ~~regulation~~ rule may adopt other definitions to accomplish the purposes of this chapter.

SECTION 2564. Arkansas Code § 23-51-103 is amended to read as follows:

23-51-103. ~~Regulations~~ Rules.

The Bank Commissioner may promulgate such ~~regulations~~ rules as he or she determines to be necessary or appropriate in order to implement the provisions of this chapter.

SECTION 2565. Arkansas Code § 23-51-106(a), concerning the fee for an application for a state trust company charter, is amended to read as follows:

(a) An application for a state trust company charter must be made under oath and in the form required by the Bank Commissioner and must be supported by information, data, records, and opinions of counsel that the commissioner requires. The application must be accompanied by a non-refundable filing fee of not less than three thousand dollars ($3,000) nor more than ten thousand dollars ($10,000) as set by ~~regulation~~ rule of the commissioner and proof of escrow of deposit for the required capital.

SECTION 2566. Arkansas Code § 23-51-107(b), concerning notice and investigation of a charger application, is amended to read as follows:

(b) At the expense of the organizers, the commissioner shall investigate the application and inquire into the identity and character of each proposed director, officer, and principal shareholder. The commissioner shall prepare a written report of the investigation, and any person may request a copy of the nonconfidential portions of the application and written report as provided by the Freedom of Information Act of 1967, § 25-19-101 et seq. ~~Regulations~~ Rules adopted under this chapter may specify the confidential or nonconfidential character of information obtained by the State Bank Department under this section. Except as provided in ~~regulations~~ rules regarding confidential information, the financial statement of a proposed officer, director or principal shareholder is confidential and not subject to public disclosure.

SECTION 2567. Arkansas Code § 23-51-108(a), concerning filing a protest to the grant of a charter application, is amended to read as follows:

(a) No person shall appear in opposition to the application unless the person shall have filed a written protest to the granting of the application within thirty (30) days of the date of the notice of the filing of the application. The protest must state the grounds for objection and must be accompanied by a filing fee of not less than two thousand dollars ($2,000) nor more than five thousand dollars ($5,000) for each protestant, such amount to be set by ~~regulation~~ rule promulgated by the Bank Commissioner.

SECTION 2568. Arkansas Code § 23-51-108(d), concerning administration of a hearing upon the protest of a grant of a charter application, is amended to read as follows:

(d) If the commissioner sets a hearing, the commissioner shall conduct a public hearing and as many prehearing conferences and opportunities for discovery as the commissioner considers advisable and consistent with applicable law and ~~regulations~~ rules.

SECTION 2569. Arkansas Code § 23-51-111 is amended to read as follows:

23-51-111. Application of laws relating to general business

corporations.

(a) The Arkansas Business Corporation Act, § 4-27-101 et seq., applies to a trust company to the extent not inconsistent with this chapter or the proper business of a trust company, except that any reference to the Secretary of State means the Bank Commissioner unless the context requires otherwise.

(b) Unless expressly authorized by this chapter or a ~~regulation~~ rule of the commissioner, a trust company may not take an action authorized by the Arkansas Business Corporation Act, § 4-27-101 et seq., regarding its corporate status, capital structure, or a matter of corporate governance, of the type for which the Arkansas Business Corporation Act, § 4-27-101 et seq., would require a filing with the Secretary of State if the trust company were a business corporation, without first submitting the filing to the commissioner for the same purposes for which it otherwise would be required to be submitted to the Secretary of State and compliance with the applicable provisions of this chapter.

(c) The commissioner may adopt ~~regulations~~ rules to limit or refine the applicability of subsection (a) of this section to a trust company or to alter or supplement the procedures and requirements of the Arkansas Business Corporation Act, § 4-27-101 et seq., applicable to an action taken under this chapter.

SECTION 2570. Arkansas Code § 23-51-114(c), concerning amendments of the articles of association of a state trust company, is amended to read as follows:

(c) Amendment or restatement of the articles of association of a state trust company and approval of the board and shareholders must be made or obtained in accordance with provisions of the Arkansas Business Corporation Act, § 4-27-101 et seq., for the amendment or restatement of articles of incorporation except as otherwise provided by this chapter or ~~regulations~~ rules adopted under this chapter. The original and one copy of the articles of amendment or restated articles of association must be filed with the Bank Commissioner for approval. Unless the submission presents novel or unusual questions, the commissioner shall approve or reject the amendment or restatement within thirty (30) days after the date the commissioner considers the submission informationally complete and accepted for filing. The

commissioner may require the submission of additional information as considered necessary to an informed decision to approve or reject any amendment or restatement or articles of association under this section.

SECTION 2571. Arkansas Code § 23-51-115(a), concerning board authority to establish a series of shares, is amended to read as follows:

(a) If the articles of association expressly give the board authority to establish series and determine the preferences, limitations, and relative rights of each series of shares, the board may do so only on compliance with this section and any ~~regulations~~ rules adopted under this chapter.

SECTION 2572. Arkansas Code § 23-51-116 is amended to read as follows:

23-51-116. Change in outstanding capital and surplus.

(a) A state trust company may not reduce or increase its outstanding capital through dividend, redemption, issuance of shares or otherwise, without the prior approval of the Bank Commissioner, except as permitted by this section or ~~regulations~~ rules adopted under this chapter.

(b) Unless otherwise restricted by ~~regulations~~ rules, prior approval is not required for an increase in capital accomplished through:

(1) Issuance of shares of common stock for cash;

(2) Declaration and payment of pro rata share dividends as defined in the Arkansas Business Corporation Act, § 4-27-101 et seq.; or

(3) Adoption by the board of a resolution directing that all or part of undivided profits be transferred to capital.

(c) Prior approval is not required for a decrease in surplus caused by incurred losses in excess of undivided profits.

SECTION 2573. Arkansas Code § 23-51-117(d), concerning outstanding notes or debentures, is amended to read as follows:

(d) The amount of any outstanding capital notes or debentures that meet the requirements of this section and are subordinated to unsecured creditors of the state trust company may be included in equity capital of the state trust company for purposes of determining hazardous condition or insolvency, and for such other purposes as may be provided by ~~regulations~~ rules adopted under this chapter.

SECTION 2574. Arkansas Code § 23-51-118(a), concerning conduct of private trust companies, is amended to read as follows:

(a) A private trust company engaging in the trust business in this state shall comply with each and every provision of this chapter applicable to a trust company unless expressly exempted therefrom in writing by the Bank Commissioner pursuant to this section or by ~~regulation~~ rule adopted by the commissioner.

SECTION 2575. Arkansas Code § 23-51-118(e), concerning the Bank Commissioner's rulemaking authority over certain aspects of business done with private trust companies, is amended to read as follows:

(e) The commissioner may adopt ~~regulations~~ rules defining other circumstances that do not constitute transaction of business with the public, specifying the provisions of this chapter that are subject to an exemption request, and establishing procedures and requirements for obtaining, maintaining, or revoking exempt status.

SECTION 2576. Arkansas Code § 23-51-119(a)(1)(A), concerning the application fee for a private trust company requesting an exemption from the requirements under Arkansas law, is amended to read as follows:

(A) A non-refundable application fee on an amount not less than three thousand dollars ($3,000) nor more than five thousand dollars ($5,000), as set by ~~regulations~~ rules issued by the commissioner;

SECTION 2577. Arkansas Code § 23-51-119(g)(1), concerning remedies against a private trust company for failures to comply with Arkansas law, is amended to read as follows:

(1) Institute any action or remedy prescribed by this chapter, or any applicable rule ~~or regulation~~; or

SECTION 2578. Arkansas Code § 23-51-121(a) and (b), concerning investment in state trust company facilities, are amended to read as follows:

(a) In this chapter, "state trust company facility" means real estate, including an improvement, owned, or leased to the extent the lease or the leasehold improvements are capitalized, by a state trust company for the purpose of:

(1) Providing space for state trust company employees to perform their duties and space for parking by state trust company employees and customers;

(2) Conducting trust business, including meeting the reasonable needs and convenience of the state trust company's customers, computer operations, document and other item processing, maintenance and record retention and storage;

(3) Holding, improving, and occupying as an incident to future expansion of the state trust company's facilities; or

(4) Conducting another activity authorized by ~~regulations~~ rules adopted under this chapter.

(b) Without the prior written approval of the Bank Commissioner, a state trust company may not directly or indirectly invest an amount in excess of its capital and surplus in state trust company facilities, furniture, fixtures, and equipment. Except as otherwise provided by ~~regulations~~ rules adopted under this chapter, in computing this limitation a state trust company:

(1) Shall include:

(A) Its direct investment in state trust company facilities;

(B) Any investment in equity or investment securities of a company holding title to a facility used by the state trust company for the purposes specified by subsection (a) of this section;

(C) Any loan made by the state trust company to or on the security of equity or investment securities issued by a company holding title to a facility used by the state trust company; and

(D) Any indebtedness incurred on state trust company facilities by a company:

(i) That holds title to the facility;

(ii) That is an affiliate of the state trust company; and

(iii) In which the state trust company is invested in the manner described by subdivision (b)(1)(B) or subdivision (b)(1)(C) of this section; and

(2) May exclude an amount included under subdivisions (b)(1)(B)-(D) of this section to the extent any lease of a facility from the company

holding title to the facility is capitalized on the books of the state trust company.

SECTION 2579. Arkansas Code § 23-51-122(a)(1), concerning acquisition of real estate by a state trust company, is amended to read as follows:

(1) As permitted by § 23-51-121 or as otherwise provided by this chapter, including ~~regulations~~ rules adopted under this chapter;

SECTION 2580. Arkansas Code § 23-51-122(c)(1)(A), concerning disposition of real estate by a state trust company, is amended to read as follows:

(A) It was acquired, except as otherwise provided by ~~regulations~~ rules adopted under this chapter; or

SECTION 2581. Arkansas Code § 23-51-123(e), concerning investments by state trust companies in investment securities, is amended to read as follows:

(e) The commissioner may adopt ~~regulations~~ rules to establish limits, requirements, or exemptions other than those specified by this section for particular classes or categories of investment, or limit or expand investment authority for state trust companies for particular classes or categories of securities or other property.

SECTION 2582. Arkansas Code § 23-51-125(a), concerning a state trust company's acquisition or establishment of a subsidiary, is amended to read as follows:

(a) Except as otherwise provided by this chapter or ~~regulations~~ rules adopted under this chapter, a state trust company may acquire or establish a subsidiary to conduct any activity that may lawfully be conducted through the form of organization chosen for the subsidiary.

SECTION 2583. Arkansas Code § 23-51-125(e), concerning a state trust company's acquisition or establishment of a subsidiary, is amended to read as follows:

(e) A subsidiary of a state trust company is subject to ~~regulation~~ rule by the commissioner to the extent provided by this chapter or

~~regulations~~ rules adopted under this chapter. In the absence of limiting ~~regulations~~ rules, the commissioner may regulate a subsidiary as if it were a state trust company.

SECTION 2584. Arkansas Code § 23-51-127 is amended to read as follows:

23-51-127. Engaging in commerce prohibited.

Except as otherwise provided by this chapter or ~~regulations~~ rules adopted under this chapter, a state trust company may not invest its funds in trade or commerce by buying, selling, or otherwise dealing in goods or by owning or operating a business not part of the state trust business, except as necessary to fulfil a fiduciary obligation to a client.

SECTION 2585. Arkansas Code § 23-51-128(c), concerning the rulemaking authority of the Bank Commissioner under the Arkansas Trust Institutions Act, is amended to read as follows:

(c) The Bank Commissioner may adopt ~~regulations~~ rules to administer and carry out this section, including ~~regulations~~ rules to establish limits, requirements, or exemptions other than those specified by this section for particular classes or categories of loans or extensions of credit, and establish collective lending and investment limits.

SECTION 2586. Arkansas Code § 23-51-129(a), concerning a state trust company becoming the owner and lessor of tangible personal property for lease financing transactions, is amended to read as follows:

(a) Subject to ~~regulations~~ rules adopted under this chapter, a state trust company may become the owner and lessor of tangible personal property for lease financing transactions on a net lease basis on the specific request and for the use of a client. Without the written approval of the Bank Commissioner to continue holding property acquired for leasing purposes under this subsection, the state trust company may not hold the property more than six months after the date of expiration of the original or any extended or renewed lease period agreed to by the client for whom the property was acquired or by a subsequent lessee.

SECTION 2587. Arkansas Code § 23-51-131(b), concerning the rulemaking authority of the Bank Commissioner concerning common investment funds, is

amended to read as follows:

(b) The Bank Commissioner may adopt ~~regulations~~ rules to administer and carry out this section, including but not limited to ~~regulations~~ rules to establish investment and participation limitations, disclosure of fees, audit requirements, limit or expand investment authority for particular classes or categories of securities or other property, advertising, exemptions, and other requirements that may be necessary to carry out this section.

SECTION 2588. Arkansas Code § 23-51-133 is amended to read as follows:

23-51-133. Pledge of assets.

A state trust company may not pledge or create a lien on any of its assets except to secure the repayment of money borrowed or as specifically authorized or required by § 23-51-130, or by ~~regulations~~ rules adopted under this chapter. An act, deed, conveyance, pledge, or contract in violation of this section is void.

SECTION 2589. Arkansas Code § 23-51-134(c)(4), concerning acquisition of control of a state trust company, is amended to read as follows:

(4) A transaction exempted by the commissioner by ~~regulation~~ rule or order because the transaction is not within the purposes of this chapter or the ~~regulation~~ rule of which is not necessary or appropriate to achieve the objectives of this chapter.

SECTION 2590. Arkansas Code § 23-51-135(a), concerning the filing of an application regarding acquisition of control with the Bank Commissioner, is amended to read as follows:

(a) The proposed transferee seeking approval to acquire control of a state trust company or a person that controls a state trust company must file with the Bank Commissioner:

(1) An application in the form prescribed by the commissioner;

(2) The filing fee in an amount not less than one thousand five hundred dollars ($1,500) and not more than three thousand dollars ($3,000), as set by ~~regulations~~ rules issued by the commissioner;

(3) All information required by ~~regulation~~ rule or that the commissioner requires in a particular application as necessary to an informed decision to approve or reject the proposed acquisition.

SECTION 2591. Arkansas Code § 23-51-136(a), concerning hearing and decision on acquisition of control, is amended to read as follows:

(a) Not later than sixty (60) days after the application is officially filed, the Bank Commissioner may approve the application or set the application for hearing. If the commissioner sets a hearing, the commissioner shall conduct a hearing as he or she considers advisable and consistent with governing statutes and ~~regulations~~ rules.

SECTION 2592. Arkansas Code § 23-51-139(a), concerning civil action by the Bank Commissioner for violations of the Arkansas Trust Institution Act, is amended to read as follows:

(a) The Bank Commissioner may bring any appropriate civil action against any person who the commissioner believes has committed or is about to commit a violation of this chapter or a ~~regulation~~ rule or order of the commissioner pertaining to this chapter.

SECTION 2593. Arkansas Code § 23-51-145(e), concerning the rulemaking authority of the Bank Commissioner regarding transactions with management and affiliates, is amended to read as follows:

(e) The commissioner may adopt ~~regulations~~ rules to administer and carry out this section, including ~~regulations~~ rules to establish limits, requirements, or exemptions other than those specified by this section for particular categories of transactions.

SECTION 2594. Arkansas Code § 23-51-148(a) and (b), concerning bonding requirements of the board of a state trust and its clients, are amended to read as follows:

(a) The board of a state trust company shall require protection and indemnity for clients in reasonable amounts established by ~~regulations~~ rules adopted under this chapter, against dishonesty, fraud, defalcation, forgery, theft, and other similar insurable losses, with corporate insurance or surety companies:

(1) Authorized to do business in this state; or

(2) Acceptable to the Bank Commissioner and otherwise lawfully permitted to issue the coverage against those losses in this state.

(b) Except as otherwise provided by ~~regulation~~ rule, coverage required under subsection (a) of this section must include each director, officer and employee of the state trust company without regard to whether the person receives salary or other compensation.

SECTION 2595. Arkansas Code § 23-51-150(b) and (c), concerning the merger plan of a state trust company, are amended to read as follows:

(b) Implementation of a plan of merger by a trust company and a state bank, approval of the board, and shareholders of the parties must be made or obtained as provided by the Arkansas Banking Code of 1997 as if the state trust company were a state bank, except as otherwise provided by ~~regulations~~ rules adopted under this chapter.

(c) Implementation of the plan of merger with a person other than a state bank, approval of the board and shareholders of the parties must be made or obtained as provided by the Arkansas Business Corporation Act, § 4-27-101 et seq., as if the state trust company were a domestic corporation and all other parties to the merger were foreign corporations and other entities, except as otherwise provided by ~~regulations~~ rules adopted under this chapter.

SECTION 2596. Arkansas Code § 23-51-151(b)(2), concerning approval requirements for the merger application of a state trust company, is amended to read as follows:

(2) Each resulting state trust company has in all respects complied with the statutes and ~~regulations~~ rules relative to the organization of a state trust company;

SECTION 2597. Arkansas Code § 23-51-153 is amended to read as follows:

23-51-153. Rights of dissenters to mergers.

A shareholder may dissent from the merger to the extent and by following the procedure provided by the Arkansas Business Corporation Act, § 4-27-101 et seq., or ~~regulations~~ rules adopted under this chapter.

SECTION 2598. Arkansas Code § 23-51-154(b)(2), concerning requirements prerequisite to approval of a state trust company's application to purchase the assets of another trust institution, is amended to read as follows:

(2) The acquiring state trust company has complied with all

applicable statutes and ~~regulations~~ rules, including without limitation any applicable requirements of §§ 23-51-178 and 23-51-179;

SECTION 2599. Arkansas Code § 23-51-166(9), concerning activities of a state trust company that do not require a charter, is amended to read as follows:

(9) Engaging in other activities expressly excluded from the application of this chapter by ~~regulations~~ rules issued by the Bank Commissioner;

SECTION 2600. Arkansas Code § 23-51-167(b), concerning conduct of the trust business of a state trust institution, is amended to read as follows:

(b) In addition, a state trust institution may conduct any activities at any office outside this state that are permissible for a trust institution chartered by the host state where the office is located, except to the extent such activities are expressly prohibited by the laws of this state or by any ~~regulation~~ rule or order of the Bank Commissioner applicable to the state trust institution. Provided, however, that the commissioner may waive any such prohibition if he or she determines, by order or ~~regulation~~ rule, that the involvement of out-of-state offices of state trust institutions in particular activities would not threaten the safety or soundness of the state trust institutions.

SECTION 2601. Arkansas Code § 23-51-181(f), concerning the supervisory and examination fees for an out-of-state trust institution with one (1) or more offices in this state, is amended to read as follows:

(f) Each out-of-state trust institution that maintains one (1) or more offices in this state may be assessed and, if assessed, shall pay supervisory and examination fees in accordance with the laws of this state and ~~regulations~~ rules of the commissioner. The fees may be shared with other bank supervisory agencies or any organization affiliated with or representing one (1) or more bank supervisory agencies in accordance with agreements between such parties and the commissioner.

SECTION 2602. Arkansas Code § 23-51-184 is amended to read as follows:

23-51-184. Commissioner shall supervise and examine authorized trust

institutions.

Every authorized trust institution shall be under the supervision of the Bank Commissioner. The commissioner shall execute and enforce through the State Bank Department and such other agents as are now or may hereafter be created or appointed, all laws which are now or may hereafter be enacted relating to authorized trust institutions. For the more complete and thorough enforcement of the provisions of this chapter, the commissioner is hereby empowered to promulgate such ~~regulations~~ rules not inconsistent with the provisions of the chapter, as may, in his or her opinion, be necessary to carry out the provisions of the laws relating to authorized trust institutions and as may be further necessary to insure safe and conservative management of an authorized trust institution under his or her supervision taking into consideration the appropriate interest of the creditors, stockholders, and the public in their relations with the authorized trust institutions. All authorized trust institutions doing business under the provisions of this chapter shall conduct their business in a manner consistent with all laws relating to authorized trust institutions and all ~~regulations~~ rules and instructions that may be promulgated or issued by the commissioner.

SECTION 2603. Arkansas Code § 23-51-187(a), concerning confidentiality of certain records maintained by the State Bank Department, is amended to read as follows:

(a) The following records of the State Bank Department shall be confidential and shall not be exhibited or revealed to the public except as stated in this section or in accordance with department ~~regulations~~ rules:

(1) All examination reports filed with the department;

(2) All records disclosing information obtained from examinations;

(3) Investigations and reports revealing facts concerning a state trust company or the customers of the organization; and

(4) All personal financial statements submitted to the department for any purpose.

SECTION 2604. Arkansas Code § 23-51-187(c), concerning disclosure of certain confidential records maintained by the State Bank Department, is

amended to read as follows:

(c) The commissioner shall have the power to promulgate ~~regulations~~ rules with regard to disclosure of confidential information.

SECTION 2605. Arkansas Code § 23-51-188(a)(1), concerning administrative orders of the Bank Commissioner for violations of the Arkansas Trust Institutions Act, is amended to read as follows:

(1) Order any authorized trust institution, or subsidiary thereof, or any director, officer, or employee to cease and desist violating any provision of this chapter or any lawful ~~regulation~~ rule issued thereunder;

SECTION 2606. Arkansas Code § 23-51-191 is amended to read as follows:

23-51-191. Removal of directors, officers, and employees.

Consistent with § 23-51-189, the Bank Commissioner shall have the right, and is hereby empowered, to require the immediate removal from office of any officer, director, or employee of any authorized trust institution who shall be found to be dishonest, incompetent, or reckless in the management of the affairs of the authorized trust institution or who persistently violates the laws of this state or the lawful orders, instructions, and ~~regulations~~ rules issued by the commissioner.

SECTION 2607. Arkansas Code § 23-55-607(b)(3)(A), concerning confidentiality of certain records under the Arkansas Home Loan Protection Act, is amended to read as follows:

(A) Information concerning all employees of the State Securities Department and all persons subject to ~~regulation~~ rule by the department; and

SECTION 2608. Arkansas Code § 23-60-103(5), concerning exemptions from applicability of the Arkansas Insurance Code for certain nonprofit vision service plan corporations, is amended to read as follows:

(5) Nonprofit vision service plan corporations composed of at least fifty (50) participating optometrists or ophthalmologists licensed by the State of Arkansas to provide vision care services on a prepaid basis when each licensed optometrist or ophthalmologist is subject to the rules ~~and~~

~~regulations~~ of the professional's respective state board and when each participating licensed optometrist or ophthalmologist agrees to assume responsibility for completion of the provisions of the vision care services contracted for so that no element of risk is incurred by any subscriber group or person.

SECTION 2609. Arkansas Code § 23-60-108 is amended to read as follows:

23-60-108. Penalty generally.

Unless a greater penalty is provided by another law of this state, a violation of a statute or ~~regulation~~ rule enforceable by the Insurance Commissioner is punishable:

(1) By the refusal, suspension, revocation, or nonrenewal of a license or certificate of authority; and

(2) A fine no greater than one thousand dollars ($1,000) per violation, not to exceed fifty thousand dollars ($50,000) in any six-month period.

SECTION 2610. Arkansas Code § 23-61-101(c)(1)(A), concerning the purpose of the State Insurance Department, is amended to read as follows:

(c)(1)(A) The purpose of the department is to serve and protect the public interest by the equitable enforcement of the state's laws and ~~regulations~~ rules affecting the insurance industry.

SECTION 2611. Arkansas Code § 23-61-107(4), concerning record retention by the State Insurance Commissioner, is amended to read as follows:

(4) The commissioner shall maintain as confidential, and not subject to subpoena, financial information regarding material transactions of insurers, as defined in § 23-63-1403 or other applicable laws or ~~regulations~~ rules promulgated by the commissioner.

SECTION 2612. Arkansas Code § 23-61-108 is amended to read as follows:

23-61-108. Rules ~~and regulations~~.

(a)(1) The Insurance Commissioner may make reasonable rules ~~and regulations~~ necessary for or as an aid to the effectuation of any provision of the Arkansas Insurance Code.

(2) No rule ~~or regulation~~ shall extend, modify, or conflict with

any law of this state or the reasonable implications thereof.

(3) Any rule ~~or regulation~~ affecting persons or matters other than the personnel or the internal affairs of the commissioner's office shall be made or amended only after a hearing thereon of which notice was given as required by § 23-61-304.

(4) If reasonably possible, the commissioner shall set forth the proposed rule ~~or regulation~~ or amendment in or with the notice of hearing.

(5) No rule ~~or regulation~~ as to which a hearing is required under this subsection shall be effective until after it has been on file as a public record in the commissioner's office, and otherwise as provided by law, for at least ten (10) days.

(b)(1) The commissioner shall have the authority to promulgate rules ~~and regulations~~ necessary for the effective regulation of the business of insurance or as required for this state to be in compliance with federal laws.

(2) The commissioner shall have the authority to coordinate regulatory activities and administration with other states and their appropriate regulatory officials and with the federal government with respect to the regulation of insurance.

(c) In addition to any other penalty provided, willful violation of any rule ~~or regulation~~ shall subject the violator to such denial, suspension, or revocation of certificate of authority or license as may be applicable under the Arkansas Insurance Code for violation of the provision to which the rule ~~or regulation~~ relates.

(d)(1) The commissioner is authorized to employ the standards and requirements set forth in publications recited in the Arkansas Insurance Code, as those publications existed on January 1, 2001, and adopted and published by the National Association of Insurance Commissioners or by other authors in the regulation of insurance, including, but not limited to, the Valuation of Securities Manual, the examiners handbook, the Accounting Practices and Procedures Manual, and the Annual Statement Instructions as published by the National Association of Insurance Commissioners.

(2) The publications identified in subdivision (d)(1) of this section and others recited in and throughout § 23-60-101 et seq. are hereby adopted as they existed on January 1, 2001.

(3) The commissioner is authorized and empowered to promulgate

~~regulations~~ rules for the purposes of adopting all or part of other publications of the National Association of Insurance Commissioners or publications by other authors if the commissioner determines that such an action is in the best interest of the public.

(4) Upon the mailing of written notice by the commissioner to all domestic reporting entities of promulgation and publication by the National Association of Insurance Commissioners or other authors of amendments, revisions, or modifications to any publication previously adopted by the commissioner in the Arkansas Insurance Code, such published amendments, revisions, or modifications shall become effective on the date designated by the commissioner in the written notice, which date shall not be earlier than eight (8) months after the date of mailing of the notice.

(e) The commissioner is authorized and empowered to adopt ~~regulations~~ rules for the purpose of modifying, amending, or revising any publication promulgated by the National Association of Insurance Commissioners or other authors, or any published amendments, modifications, or revisions to any such publications if the commissioner determines that such an action is in the best interest of the public. In such an event the effective date of any modification, amendment, or revision shall be the effective date of the ~~regulation~~ rule.

SECTION 2613. Arkansas Code § 23-61-115(a)(4), concerning standards for the Insurance Commissioner under the Policyholder's Bill of Rights, is amended to read as follows:

(4) Adopting rules ~~and regulations~~.

SECTION 2614. Arkansas Code § 23-61-205(a)(3)(A), concerning the review of examination reports by the Insurance Commissioner, is amended to read as follows:

(A) Adopting the examination report as filed or with modification or corrections. If the examination report reveals that the company is operating in violation of any law, ~~regulation~~ rule, or prior order of the commissioner, the commissioner may order the company to take any action the commissioner considers necessary and appropriate to cure such a violation;

SECTION 2615. Arkansas Code § 23-61-303(b)(1), concerning hearings conducted by the Insurance Commissioner, is amended to read as follows:

(b)(1) The commissioner shall hold a hearing if required by any provision or upon written demand for a hearing by a person aggrieved by any act, threatened act, or failure of the commissioner to act, or by any report, rule, ~~regulation,~~ or order of the commissioner, other than an order for the holding of a hearing, or an order on hearing or pursuant thereto.

SECTION 2616. Arkansas Code § 23-61-502 is amended to read as follows:

23-61-502. Exempt health care plans.

The provisions of this subchapter shall not apply to those health care plans which are maintained:

(1) Pursuant to a collective bargaining agreement;

(2) By a tax exempt rural electric cooperative;

(3) By the Arkansas Poultry Federation; or

(4) By any nonprofit vision service plan corporation composed of at least fifty (50) participating optometrists or ophthalmologists licensed by the State of Arkansas to provide vision care services on a prepaid basis when each licensed optometrist or ophthalmologist is subject to the rules ~~and regulations~~ of the professional's respective state board and when each participating licensed optometrist or ophthalmologist agrees to assume responsibility for completion of the provisions of the vision care services contracted for so that no element of risk is incurred by any subscriber group or person.

SECTION 2617. Arkansas Code § 23-61-508 is amended to read as follows:

23-61-508. Rules ~~and regulations~~.

The Insurance Commissioner is authorized to promulgate rules ~~and regulations~~ which may be necessary for the implementation and enforcement of this subchapter.

SECTION 2618. Arkansas Code § 23-61-606(b), procurement of insurance surety bonding by the State Procurement Director, is amended to read as follows:

(b) When the Administrator of the Risk Management Division authorizes state agencies to procure insurance or surety bonding, the authorization

shall be made in writing and approved by the Insurance Commissioner. The authorization may be made for, but not limited to, purchases not exceeding an amount established by ~~regulations~~ rules, particular lines of insurance, and purchases by state agencies with a demonstrated expertise in the field of risk management.

SECTION 2619. Arkansas Code § 23-61-607 is amended to read as follows:

23-61-607. Rules ~~and regulations~~.

(a) The Administrator of the Risk Management Division shall have the authority to promulgate rules ~~and regulations~~ consistent with this subchapter.

(b) All rules ~~and regulations~~ shall be subject to the approval of the Insurance Commissioner and conform with the requirements of the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 2620. Arkansas Code § 23-61-706(b), concerning payment of fees to the State Insurance Department Trust Fund, is amended to read as follows:

(b) The fees shall be payable to the State Insurance Department Trust Fund for the support and operation of the State Insurance Department, and in no event shall any one (1) fee required by subsection (a) of this section exceed a maximum of fifty dollars ($50.00) per license or registration. The fees due per license as required by this section commencing on and after July 1, 1994, and annually thereafter, shall be due in an amount and at such times or upon such schedule as the Insurance Commissioner shall prescribe in a companion rule ~~and regulation~~ to this chapter after notice and a public hearing, so long as the companion rule does not provide for any one (1) fee set pursuant to this section to exceed the maximum amount of fifty dollars ($50.00) per license.

SECTION 2621. Arkansas Code § 23-61-708(a)(2), concerning the rulemaking authority of the Insurance Commissioner concerning fees, is amended to read as follows:

(2) In the event the commissioner is required by laws enacted contemporaneous with or subsequent to this subchapter to perform other duties or incur other obligations, and in the event current revenues of the department, including, but not limited to, those revenues produced by this

subchapter, are not sufficient for the commissioner to perform those new or additional duties efficiently and promptly or to the extent the commissioner deems necessary, then the commissioner shall enact new or additional or increased fees for departmental services, documents, and publications, but such fees shall only be adopted and imposed in a rule ~~and regulation~~ promulgated by the commissioner after notice and a hearing pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq., and other applicable sections of the Arkansas Insurance Code and other laws.

SECTION 2622. Arkansas Code § 23-61-708(c), concerning the rulemaking authority of the Insurance Commissioner concerning fees, is amended to read as follows:

(c) The commissioner may from time to time alter the fee amounts by rule ~~and regulation~~ amendment pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq., but in no event shall such fee amendments necessary for continued support and operation of the department exceed the limitations set forth in this section.

SECTION 2623. Arkansas Code § 23-61-709(a) and (b), concerning the authority, powers, and duties of the Insurance Commissioner, are amended to read as follows:

(a) The Insurance Commissioner shall be duly authorized to promulgate rules ~~and regulations~~ necessary to effectuate the purposes of this subchapter.

(b) Upon his or her determination and finding that State Insurance Department appropriations or funding is insufficient to operate the department efficiently or to allow the commissioner to perform all of his or her statutorily mandated duties and tasks, the commissioner may, in his or her discretion, by rule ~~and regulation~~ following notice and a public hearing, increase the amounts of the fees, license fees, fines, penalties, and revenues as provided in this subchapter for deposit into the State Insurance Department Trust Fund as special revenues.

SECTION 2624. Arkansas Code § 23-61-807(d), concerning the compatibility of the Arkansas Health Insurance Marketplace Act in relation to other laws governing the subject matter, is amended to read as follows:

(d) Except as expressly provided to the contrary in this subchapter, a health insurer offering a qualified health plan in this state shall comply fully with all applicable health insurance laws of this state and ~~regulations~~ rules adopted and orders issued by the commissioner.

SECTION 2625. Arkansas Code § 23-62-203 is amended to read as follows:

23-62-203. Rules ~~and regulations~~.

The Insurance Commissioner may adopt reasonable rules ~~and regulations~~ to implement the provisions of this subchapter.

SECTION 2626. Arkansas Code § 23-62-413 is amended to read as follows:

23-62-413. Rules ~~and regulations~~.

The Insurance Commissioner may adopt reasonable rules ~~and regulations~~ for the implementation and administration of the provisions of this subchapter.

SECTION 2627. Arkansas Code § 23-63-218(d), concerning the Insurance Commissioner's rulemaking authority concerning changes of domicile, is amended to read as follows:

(d) The commissioner may promulgate rules ~~and regulations~~ to carry out the purposes of this section.

SECTION 2628. Arkansas Code § 23-63-510(b)(3)(B), concerning conduct of an approval hearing held by the Insurance Commissioner concerning control of or merger with a domestic insurer, is amended to read as follows:

(B) In connection with the change in control of the insurer, any determination by the commissioner that the person acquiring control of a domestic insurer shall be required to maintain or restore the capital of the insurer to the level required by the laws and ~~regulations~~ rules of this state shall be made not later than sixty (60) calendar days after the date of notification of the change in control submitted pursuant to § 23-63-506(b).

SECTION 2629. Arkansas Code § 23-63-514(c)(1), concerning registration of insurers with the Insurance Commissioner, is amended to read as follows:

(1) No information need be disclosed on the registration statement filed pursuant to subsection (b) of this section if the information is not material for the purposes of this section. Unless the commissioner by rule~~, regulation,~~ or order provides otherwise, sales, purchases, exchanges, loans, or extensions of credit, or investments, involving one-half of one percent (0.5%) or less of an insurer's admitted assets as of the December 31 next-preceding shall not be deemed material for purposes of this section.

SECTION 2630. Arkansas Code § 23-63-514(h), concerning registration of insurers with the Insurance Commissioner, is amended to read as follows:

(h) Exemptions. The provisions of this section shall not apply to any insurer, information, or transaction if, and to the extent that, the commissioner by rule~~, regulation,~~ or order shall exempt it from the provisions of this section.

SECTION 2631. Arkansas Code § 23-63-518 is amended to read as follows:

23-63-518. Rules ~~and regulations~~.

After compliance with §§ 23-61-108 and 23-61-304 of the Arkansas Insurance Code, the Insurance Commissioner may issue such rules~~, regulations,~~ and orders as shall be necessary to carry out the provisions of this subchapter.

SECTION 2632. Arkansas Code § 23-63-520(a), concerning when voting of securities is prohibited, is amended to read as follows:

(a) When Prohibited.

(1) No security which is the subject of any agreement or arrangement regarding acquisition, or which is acquired or to be acquired, in contravention of the provisions of this subchapter or of any rule~~,~~ ~~regulation,~~ or order issued by the Insurance Commissioner pursuant to this subchapter may be voted at any shareholders' meeting, or may be counted for quorum purposes, and any action of shareholders requiring the affirmative vote of a percentage of shares may be taken as though the securities were not issued and outstanding.

(2) However, no action taken at any meeting shall be invalidated by the voting of the securities unless the action would materially affect control of the insurer or unless the courts of this state have so ordered.

(3) If an insurer or the commissioner has reason to believe that any security of the insurer has been or is about to be acquired in contravention of the provisions of this subchapter or of any rule~~, regulation,~~ or order issued by the commissioner pursuant to it, the insurer or the commissioner may apply to the Pulaski County Circuit Court to enjoin any offer, request, invitation, agreement, or acquisition made in contravention of §§ 23-63-506 — 23-63-513 or any rule~~, regulation,~~ or order issued by the commissioner pursuant to it to enjoin the voting of any security so acquired, to void any vote of a security already cast at any meeting of shareholders, and for such other equitable relief as the nature of the case and the interests of the insurer's policyholders, creditors, and shareholders, or the public may require.

SECTION 2633. Arkansas Code § 23-63-521 is amended to read as follows:

23-63-521. Injunctions.

Whenever it appears to the Insurance Commissioner that any insurer or any director, officer, employee, or agent of an insurer has committed or is about to commit a violation of this subchapter or of any rule~~, regulation,~~ or order issued by the commissioner pursuant to it, the commissioner may apply to the Pulaski County Circuit Court for an order enjoining the insurer or the director, officer, employee, or agent of the insurer from violating or continuing to violate this subchapter or any rule~~, regulation,~~ or order, and for such other relief as the nature of the case and the interests of the insurer's policyholders, creditors, and shareholders or the public may require.

SECTION 2634. Arkansas Code § 23-63-601(2), concerning the rulemaking authority of the Insurance Commissioner in determining the financial condition of certain domestic-related entities regulated by the Insurance Commissioner, is amended to read as follows:

(2) Other assets as specified by the commissioner in a rule ~~or regulation~~.

SECTION 2635. Arkansas Code § 23-63-611(3), concerning valuation and reporting of assets, is amended to read as follows:

(3) Other assets shall be valued as specified by the Insurance

Commissioner in a rule ~~and regulation~~, in accordance with the provisions of § 23-63-601(2), which method of valuation is not inconsistent with the National Association of Insurance Commissioners' publication as it existed on January 1, 2001, entitled the "Valuation of Securities Manual", prepared by the Securities Valuation Office.

SECTION 2636. Arkansas Code § 23-63-613(a)(3), concerning the rulemaking authority of the Insurance Commissioner, is amended to read as follows:

(3) The commissioner is authorized and empowered to promulgate ~~regulations~~ rules for the purposes of adopting all or part of other financial standards publications of the National Association of Insurance Commissioners or publications by other authors if the commissioner determines that such an action is in the best interest of the public.

SECTION 2637. Arkansas Code § 23-63-802(e), concerning limitations on the applicability of this section as it applies to eligible investments, is amended to read as follows:

(e) None of the requirements, restrictions, limitations, or prohibitions for investments made under this subchapter, or contained in any regulation promulgated pursuant thereto, shall be preempted by the provisions of section 106 of Title 1 of the Secondary Mortgage Market Enhancement Act of 1984. The provisions of this subchapter and any ~~regulations~~ rules promulgated pursuant thereto that pertain to investments in the categories of securities specified in paragraphs (1) and (2) of subsection (a) of the Secondary Mortgage Market Enhancement Act shall remain in full force and effect notwithstanding the enactment of the Secondary Mortgage Market Enhancement Act.

SECTION 2638. Arkansas Code § 23-63-1402(a), concerning reports filed with the Insurance Commissioner, is amended to read as follows:

(a) Every insurer domiciled in this state shall file a report with the Insurance Commissioner disclosing material acquisitions and dispositions of assets or material nonrenewals, cancellations, or revisions of ceded reinsurance agreements unless the acquisitions and dispositions of assets or material nonrenewals, cancellations, or revisions of ceded reinsurance

agreements have been submitted to the commissioner for review, approval, or information purposes pursuant to other provisions of the Arkansas Insurance Code, laws, ~~regulations~~ rules, or other requirements.

SECTION 2639. Arkansas Code § 23-63-1405 is amended to read as follows:

23-63-1405. Rules ~~and regulations~~.

The Insurance Commissioner may adopt reasonable rules ~~and regulations~~ for the implementation and administration of the provisions of this subchapter.

SECTION 2640. Arkansas Code § 23-63-1602(d)(1), concerning the fee to be paid by a captive insurance company, is amended to read as follows:

(d)(1) A captive insurance company shall pay to the State Insurance Department Trust Fund a nonrefundable fee in an amount and manner to be prescribed by ~~regulation~~ rule.

SECTION 2641. Arkansas Code § 23-63-1607(b)(3)(B), concerning annual reports required of a captive insurance company, is amended to read as follows:

(B) The commissioner shall prescribe by ~~regulation~~ rule the forms in which producer reinsurance captive insurance companies, pure captive insurance companies, and industrial insured captive insurance companies shall report.

SECTION 2642. Arkansas Code § 23-63-1615 is amended to read as follows:

23-63-1615. ~~Regulations~~ Rules.

(a) The Insurance Commissioner may promulgate ~~regulations~~ rules relating to captive insurance companies as are necessary to carry out this subchapter.

(b)(1) The commissioner may promulgate ~~regulations~~ rules establishing standards to ensure that a parent or affiliated company is able to exercise control of the risk management function of any controlled unaffiliated business to be insured by the pure captive insurance company.

(2) Prior to these ~~regulations~~ rules' being promulgated, the

commissioner may grant, by temporary order, authority to a pure captive insurance company to insure risks.

SECTION 2643. Arkansas Code § 23-63-1616(b), concerning exemptions for certain captive insurance companies, is amended to read as follows:

(b) The Insurance Commissioner may exempt by rule~~, regulation,~~ or other order special purpose captive insurance companies on a case-by-case basis from the provisions of this chapter that he or she determines to be inappropriate, given the nature of the risks to be insured.

SECTION 2644. Arkansas Code § 23-63-1707(a), concerning conservation, rehabilitation, or liquidation of protected cell companies, is amended to read as follows:

(a) Notwithstanding any provision of the Arkansas Insurance Code or any ~~regulation~~ rule promulgated under the Arkansas Insurance Code or any other applicable law or ~~regulation~~ rule, upon any order of conservation, rehabilitation, or liquidation of a protected cell company, the receiver shall be bound to deal with the protected cell company's assets and liabilities, including protected cell assets and protected cell liabilities, in conformance with this subchapter.

SECTION 2645. Arkansas Code § 23-63-1709 is amended to read as follows:

23-63-1709. Authority to adopt ~~regulations~~ rules.

The Insurance Commissioner may promulgate ~~regulations~~ rules necessary to carry out the purpose and intent of this subchapter.

SECTION 2646. Arkansas Code § 23-63-1806 is amended to read as follows:

23-63-1806. Rules ~~and regulations~~.

The Insurance Commissioner shall adopt rules ~~and regulations~~ by January 1, 2006, to ensure compliance with this subchapter.

SECTION 2647. Arkansas Code § 23-64-202(b)(2)(A)(i), concerning requirements of applicants for a license as an insurance agent, broker, adjuster, or consultant, is amended to read as follows:

(2)(A)(i) Before licensure or examination, if examination is required, complete specific courses of instruction in the field of insurance as the commissioner shall by ~~regulation~~ rule prescribe for the license.

SECTION 2648. Arkansas Code § 23-64-202(b)(2)(A)(vii), concerning requirements of applicants for a license as an insurance agent, broker, adjuster, or consultant, is amended to read as follows:

(vii) The commissioner shall issue appropriate ~~regulations~~ rules to implement the educational requirements and standards prescribed in this subdivision (b)(2) and to prescribe the general curriculum of courses of instruction.

SECTION 2649. Arkansas Code § 23-64-210(b)(2)(B), concerning licensing of adjuster and insurance consulting partnerships, limited partnerships, joint ventures, limited liability companies, and corporations, is amended to read as follows:

(B) The commissioner shall charge, and the licensee shall pay, a full additional license fee as to each respective individual licensee in the license in excess of one (1), in the amounts stated in § 23-61-401 and any existing or future rule ~~and regulation~~.

SECTION 2650. Arkansas Code § 23-64-216(f)(1), concerning the Insurance Commissioner's ability to take judicial notice of previous violations in a hearing on suspension or revocation of a licensee, is amended to read as follows:

(f)(1) If upon notice and hearing the commissioner finds that the licensee has violated a provision of the insurance laws of this state or any rule~~, regulation,~~ or order of the commissioner and that the licensee previously has been found to have violated provisions of the insurance laws of this state or any rule~~, regulation,~~ or order of the commissioner, by an order of the commissioner after hearing or by an order entered with the consent and agreement of the parties, the commissioner may take judicial notice of the previous orders against the licensee and, within the commissioner's discretion, may enhance or increase the penalties ordered in the current proceeding as to the licensee, and the commissioner shall incorporate a finding to that effect in his or her order.

SECTION 2651. Arkansas Code § 23-64-302(8), concerning exceptions to the continuing education requirements for licensees, is amended to read as follows:

(8) Nonresident agents and brokers in the first full year of resident licensing following the year after a change in the state of domicile or residency to the State of Arkansas, but thereafter annually or otherwise in accordance with insurance continuing education laws and rules ~~and regulations~~ of the commissioner; and

SECTION 2652. Arkansas Code § 23-64-404(6)(B), concerning minimum requirements for agency contracts with those acting in the capacity of a managing general agent placing business with an insurer, is amended to read as follows:

(B) The insurer shall have the right to cancel or nonrenew any policy of insurance subject to the applicable laws and ~~regulations~~ rules of this state concerning the cancellation and nonrenewal of insurance policies;

SECTION 2653. Arkansas Code § 23-64-408 is amended to read as follows

23-64-408. Insurance Commissioner's ~~regulatory~~ authority to adopt rules.

The Insurance Commissioner may adopt reasonable rules ~~and regulations~~ for the implementation and administration of the provisions of this subchapter.

SECTION 2654. Arkansas Code § 23-64-505(a), concerning examination for an insurance producer license, is amended to read as follows:

(a) A resident individual applying for an insurance producer license shall pass a written examination unless exempt pursuant to § 23-64-205. The examination shall test the knowledge of the individual concerning the lines of authority for which application is made, the duties and responsibilities of an insurance producer, and the insurance laws ~~and regulations~~ of this state. Examinations required by this section shall be developed and conducted under rules ~~and regulations~~ prescribed by the Insurance Commissioner.

SECTION 2655. Arkansas Code § 23-64-506(b)(2), concerning licensure for a business entity acting as an insurance producer, is amended to read as follows:

(2) The business entity has designated a licensed producer responsible for the business entity's compliance with the insurance laws~~,~~ and rules~~, and regulations~~ of this state.

SECTION 2656. Arkansas Code § 23-64-507(b)(1), concerning an insurance producer license fee, is amended to read as follows:

(1) As long as the fee set forth in § 23-61-401 and any existing or future rule ~~and regulation~~ is paid and education requirements for resident individual producers are met by the due date; or

SECTION 2657. Arkansas Code § 23-64-509(b), concerning the exemption from examination for certain persons licensed as an insurance producer in another state, is amended to read as follows:

(b) A person licensed as an insurance producer in another state who moves to this state shall make application within ninety (90) days after establishing legal residence to become a resident licensee pursuant to § 23-64-506. No prelicensing education or examination shall be required of that person to obtain any line of authority previously held in the prior state except when the Insurance Commissioner determines otherwise by ~~regulation~~ rule.

SECTION 2658. Arkansas Code § 23-64-514(d) and (e), concerning certain fees for an insurer to appoint an agent, are amended to read as follows:

(d) An insurer shall pay an appointment fee, in the amount and method of payment set forth in § 23-61-401 and any existing or future rule ~~and regulation~~, for each insurance producer appointed by the insurer.

(e) An insurer shall remit, in a manner prescribed by the commissioner, a renewal appointment fee in the amount set forth in § 23-61-401 and any existing or future rule ~~and regulation~~.

SECTION 2659. Arkansas Code § 23-64-518 is amended to read as follows:

23-64-518. ~~Regulations~~ Rules.

The Insurance Commissioner may, in accordance with § 23-61-108,

promulgate reasonable ~~regulations~~ rules as are necessary or proper to carry out the purposes of this subchapter.

SECTION 2660. Arkansas Code § 23-64-614(d), concerning the requirement that a health insurer offering a qualified health plan in Arkansas comply with all applicable laws, is amended to read as follows:

(d) Except as expressly provided to the contrary in this subchapter, a health insurer offering a qualified health plan in this state shall comply fully with all applicable health insurance laws of this state and ~~regulations~~ rules adopted and orders issued by the commissioner.

SECTION 2661. Arkansas Code § 23-65-101(i), concerning the rulemaking authority of the Insurance Commissioner regarding the prohibition of unauthorized insurance transactions, is amended to read as follows:

(i) The commissioner may promulgate such reasonable rules ~~and regulations~~ as are necessary to carry out the provisions of this section.

SECTION 2662. Arkansas Code § 23-66-206(4)(B)(vi), concerning the definition of "failure to maintain complaint handling procedures", is amended to read as follows:

(vi) Such other information as the commissioner may reasonably require by way of ~~regulations~~ rules.

SECTION 2663. Arkansas Code § 23-66-207 is amended to read as follows:

23-66-207. Rules ~~and regulations~~ to identify prohibited methods of competition, acts, or practices.

(a) The Insurance Commissioner may, after notice and hearing, promulgate reasonable rules ~~and regulations~~, as are necessary or proper to identify specific methods of competition or acts or practices which are prohibited by § 23-66-206 or § 23-66-312, but the ~~regulations~~ rules shall not enlarge upon or extend the provisions of those sections.

(b) The ~~regulations~~ rules shall be subject to review in accordance with § 23-61-307.

SECTION 2664. Arkansas Code § 23-66-215(a)(1), concerning the penalty for late payment of claims by health carriers, is amended to read as follows:

(a)(1) A health carrier shall pay a penalty of twelve percent (12%) per annum for late payment of claims under a health insurance contract pursuant to ~~regulations~~ rules promulgated by the Insurance Commissioner, without necessity for demand for payment by a claimant.

SECTION 2665. Arkansas Code § 23-66-316(a), concerning advertising by health and accident insurers and prepaid health plans, is amended to read as follows:

(a) It shall be unlawful for any insurance company or association transacting any health and accident or hospital or surgical insurance or prepaid hospital and surgical or health care plan in this state, in violation of a prior order or ~~regulation~~ rule of the Insurance Commissioner directed to the company or association, to make, issue, circulate, or place before the public or to cause the making, issuing, circulation, or placing before the public in a newspaper, magazine, or other publication or in the form of a notice, brochure, circular, pamphlet, letter, or poster or by way of any radio or television station or in any other way or manner any advertisement, announcement, or statement with respect to the terms, benefits, premiums, or advantages of the policy or plan unless and until the advertisement, announcement, or statement has been filed with and approved by the commissioner, pursuant to the prior order or ~~regulation~~ rule, as not being untrue, deceptive, or misleading in any respect.

SECTION 2666. Arkansas Code § 23-66-403 is amended to read as follows:

23-66-403. Rules ~~and regulations~~.

The Insurance Commissioner shall have such authority as he or she deems reasonably necessary to regulate the home service system of distribution, and, to that end, to promulgate, adopt, and enforce reasonable rules ~~and regulations~~ necessary and proper to regulate the home service system of distribution.

SECTION 2667. Arkansas Code § 23-66-404(1)(C), concerning the requirement that an insurer engaged in the home service system of distribution of policies conducts audits, is amended to read as follows:

(C) Conduct audits periodically, or in the manner as described by rules ~~and regulations~~, at the field level or premium payor level

which reasonably ensure that the premium payor's premium recording item or records accurately reflect the premium due date and premium paid-to status of the policy or policies purchased;

SECTION 2668. Arkansas Code § 23-66-511 is amended to read as follows:

23-66-511. ~~Regulations~~ Rules.

The Insurance Commissioner may promulgate reasonable rules ~~and regulations~~ deemed necessary by the commissioner for the administration of this subchapter.

SECTION 2669. Arkansas Code § 23-66-608 is amended to read as follows:

23-66-608. Authorization to promulgate ~~regulations~~ rules.

The Insurance Commissioner may promulgate ~~regulations~~ rules to effectuate the purposes of this subchapter.

SECTION 2670. Arkansas Code § 23-67-214(c)(1)(A), concerning an application for licensure by an advisory organization, is amended to read as follows:

(A) A copy of its constitution, charter, or articles of organization, agreement, association, or incorporation and a copy of its bylaws, plan of operation, and any other rules ~~or regulations~~ governing the conduct of its business;

SECTION 2671. Arkansas Code § 23-67-304(f)(2)(B), concerning competitive selection of servicing carriers by the Insurance Commissioner, is amended to read as follows:

(B) Each such insurer shall comply with the following specific service or performance standards and such further standards as the commissioner may by rule ~~and regulation~~ provide:

(i) Provide a level of service comparable to that provided to employer-insureds in its voluntary workers' compensation line of business and assure the same by putting into effect internal administrative procedures, which shall assure that such is the case;

(ii) Maintain with the commissioner a list of responsible management personnel of the insurer qualified to make administrative decisions on the insurer's behalf concerning policies issued

within the plan;

(iii) Keep the commissioner continually advised of the address and telephone number of the insurer's office servicing the plan on its behalf;

(iv) Maintain a toll-free telephone number or numbers adequate to service the plan and keep the commissioner, employers, and agents continually apprised of same;

(v)(a) Maintain its billing and rating procedure in timely compliance with orders of the commissioner.

(b) In particular, no insurer shall ever purport to effect a retroactive rate adjustment based upon a succeeding rate filing unless the insurer has specifically included within its policies a specific notice of pending rate change.

(c) No insurer shall fail to physically implement any rate change later than sixty (60) days of the date the order effecting the change is entered;

(vi) Such other service or performance standards, including, but not limited to, matters relating to loss experience, safety and loss control success, and profitability as the commissioner shall by rule ~~and regulation~~ prescribe; and

(vii) Such further standards as the commissioner may by rule ~~and regulation~~ provide.

SECTION 2672. Arkansas Code § 23-67-304(j), concerning competitive selection of servicing carriers by the Insurance Commissioner, is amended to read as follows:

(j) The commissioner shall establish within the plan an alternate preferred plan for employers who have carried workers' compensation insurance continually for at least four (4) policy years and who have had better than average loss experience and meet such additional reasonable standards as the commissioner shall by rule ~~and regulation~~ prescribe.

SECTION 2673. Arkansas Code § 23-67-304(k)(1)-(3), concerning competitive selection of servicing carriers by the Insurance Commissioner, are amended to read as follows:

(k)(1) The commissioner shall by rule ~~and regulation~~ establish a

performance plan related to the aforementioned service or performance standards and others to be promulgated with incentives and penalties to improve servicing carrier performance.

(2) The performance plan shall provide for up to thirty-three percent (33%) of the servicing carrier's remuneration to be based on performance.

(3) The servicing carrier performance plan shall provide an annual basis for penalties on carriers performing below standard to the extent of their underperformance under the criteria as hereinafter established by rule ~~and regulation~~ up to thirty-three percent (33%) of their remuneration.

SECTION 2674. Arkansas Code § 23-67-306(a)(2), concerning prerequisites to an entitlement to insurance, is amended to read as follows:

(2) The employer has complied with all effective laws, orders, or rules~~, or regulations~~ made by public authorities relating to the welfare, health, and safety of employees;

SECTION 2675. Arkansas Code § 23-67-310 is amended to read as follows:

23-67-310. Rules ~~and regulations~~.

The Insurance Commissioner is authorized to promulgate such reasonable rules ~~and regulations~~ as are necessary to carry out the provisions of this subchapter.

SECTION 2676. Arkansas Code § 23-67-311 is amended to read as follows:

23-67-311. Association policies.

Under such rules ~~and regulations~~ as shall be adopted by the Insurance Commissioner, and notwithstanding other provisions of this chapter, the commissioner is given the authority in the Arkansas Workers' Compensation Insurance Plan to allow the issuance of group or association workers' compensation insurance policies to logging contractors or dealers as sponsors. The policies may, in turn, insure for workers' compensation and employers' liability purposes no fewer than five (5) independent contractors who provide logging services to the sponsoring contractor or dealer. Provided, however, that such association or group coverage be made available on a nondiscriminatory basis to all other industries if the commissioner

rules that the coverage is reasonably applicable to that industry and economically sound with respect to the plan.

SECTION 2677. Arkansas Code § 23-67-312(a), concerning the duty of the Insurance Commissioner to establish an alternate preferred plan within the Arkansas Workers' Compensation Insurance Plan, is amended to read as follows:

(a) The Insurance Commissioner shall establish within the Arkansas Workers' Compensation Insurance Plan an alternate preferred plan for employers, including logging or pulpwood dealers or contractors, who have carried workers' compensation insurance coverage continuously for at least four (4) policy years and who have had better than average loss experience and meet such additional reasonable standards as the commissioner shall by rule ~~and regulation~~ prescribe.

SECTION 2678. Arkansas Code § 23-67-313(a)(3), concerning competitive selection of the administrator of the Arkansas Workers' Compensation Insurance Plan and servicing carriers, is amended to read as follows:

(3) The commissioner judges continuation of the present administrator subject to the modifications herein set forth and to hereafter be promulgated by rule ~~and regulation~~ to be in the best interests of Arkansas;

SECTION 2679. Arkansas Code § 23-67-313(b)(2), concerning competitive selection of the administrator of the Arkansas Workers' Compensation Insurance Plan and servicing carriers, is amended to read as follows:

(2) Plan operating performance and service in accordance with the intent of this act, including performance reviews of the administrator, servicing carriers, and plan ~~regulations~~ rules;

SECTION 2680. Arkansas Code § 23-67-410(a), concerning indemnification by an insurer, is amended to read as follows:

(a) An insurer shall indemnify, defend, and hold agents harmless from and against all liability, fees, and costs arising out of or relating to the actions, errors, or omissions of a producer who obtains or uses credit information or credit scores, or both, for an insurer, provided the producer follows the instructions of or procedures established by the insurer and

complies with any applicable law or ~~regulation~~ rule.

SECTION 2681. Arkansas Code § 23-67-414 is amended to read as follows:

23-67-414. ~~Regulations~~ Rules.

The Insurance Commissioner may make reasonable rules ~~and regulations~~ necessary for or as an aid to the effectuation of any provision of this subchapter.

SECTION 2682. Arkansas Code § 23-68-102(14), concerning the definition of "hazardous financially", is amended to read as follows:

(14) “Hazardous financially” means the existence of any condition or the omission or commission of any act which would, in the reasonable discretion of the commissioner, seriously affect the advisability of an insurer’s continued operation in this state or, as a result of its financial condition or other matters, would render the insurer’s continued operation in this state perilous to the general public or to the policyholders or creditors of the insurer. The commissioner is authorized to promulgate ~~regulations~~ rules to set forth standards by which he or she might make a determination that the continued operation of an insurer might be hazardous financially.

SECTION 2683. Arkansas Code § 23-69-109(d), concerning the rulemaking authority of the Insurance Commissioner concerning pecuniary interests of officers, directors, and employees, is amended to read as follows:

(d) The Insurance Commissioner may, by ~~regulations~~ rule from time to time, define and permit additional exceptions to the prohibition contained in subsection (a) of this section solely to enable payment of reasonable compensation to a director who is not otherwise an officer or employee of the insurer, or to a corporation or firm in which a director is interested, for necessary services performed or sales or purchases made to or for the insurer in the ordinary course of the insurer’s business and in the usual private, professional, or business capacity of the director or the corporation or firm.

SECTION 2684. Arkansas Code § 23-69-122(c) and (d), concerning the Insurance Commissioner’s authority concerning proxies of a stockholder of an

insurer, are amended to read as follows:

(c) The Insurance Commissioner shall have the authority to:

(1) Regulate the solicitation of proxies by any person;

(2) Require the disclosure of information deemed relevant to an understanding of issues and matters with respect to which proxies are, or are proposed to be, solicited;

(3) Specify general requirements as to form and contents of proxies;

(4) Determine the length of time for which proxies may be effective unless sooner revoked;

(5) Prohibit solicitations of proxies which do not comply with such rules ~~and regulations~~ as the commissioner may issue hereunder, or as to which disclosures required by the rules ~~and regulations~~ are not made;

(6) Prohibit the making or use of false or misleading statements or the distribution of any false or misleading material with respect to the solicitation of any proxy or with respect to any election or election contest; and

(7) Issue such other rules ~~and regulations~~ respecting proxies and elections as the commissioner may deem necessary or appropriate in the public interest or for the protection of stockholders of insurers.

(d) Rules ~~and regulations~~ issued by the commissioner under authority of this section shall be made or amended as provided in § 23-61-108.

SECTION 2685. Arkansas Code § 23-69-134(b)(4)(B)(xi), concerning location and maintenance of assets and records in Arkansas by domestic insurers, is amended to read as follows:

(xi) Any other requirements provided by rules ~~and regulations~~ of the commissioner; and

SECTION 2686. Arkansas Code § 23-69-201(4), concerning the defintion of "equity security", is amended to read as follows:

(4) Any other security which the Insurance Commissioner shall deem to be of similar nature and consider necessary or appropriate, by such rules ~~and regulations~~ as he or she may prescribe in the public interest or for the protection of investors, to treat as an equity security.

SECTION 2687. Arkansas Code § 23-69-203 is amended to read as follows:

23-69-203. Application of §§ 23-69-204 — 23-69-206 to foreign or domestic arbitrage transactions.

The provisions of §§ 23-69-204 — 23-69-206 shall not apply to foreign or domestic arbitrage transactions unless made in contravention of such rules ~~and regulations~~ as the Insurance Commissioner may adopt in order to carry out the purposes of this subchapter.

SECTION 2688. Arkansas Code § 23-69-205(c), concerning limitations on the provisions preventing unfair use of information by owners, directors, or officers, is amended to read as follows:

(c) This section shall not be construed to cover any transaction where the beneficial owner was not such both at the time of the purchase and sale, or the sale and purchase, of the security involved, or any transaction or transactions which the Insurance Commissioner by rules ~~and regulations~~ may exempt as not comprehended within the purpose of this section.

SECTION 2689. Arkansas Code § 23-69-207(b), concerning rule-making authority of the Insurance Commissioner concerning equity securities held in an investment account, is amended to read as follows:

(b) The Insurance Commissioner may, by such rules ~~and regulations~~ as he or she deems necessary or appropriate in the public interest, define and prescribe terms and conditions with respect to securities held in an investment account and transactions made in the ordinary course of business and incident to the establishment or maintenance of a primary or secondary market.

SECTION 2690. Arkansas Code § 23-69-208 is amended to read as follows:

23-69-208. Rules ~~and regulations~~.

(a) The Insurance Commissioner shall have the power to make such rules ~~and regulations~~ as may be necessary for the execution of the functions vested in him or her by this subchapter and for such purpose may classify domestic stock insurance companies, securities, and other persons or matters within his or her jurisdiction.

(b) No provision of this subchapter imposing any liability shall apply to any act done or omitted, in good faith, in conformity with any rule ~~or~~

~~regulation~~ of the commissioner, notwithstanding that the rule ~~or regulation~~, after the act or omission, may be amended or rescinded or determined by judicial or other authority to be invalid for any reason.

SECTION 2691. Arkansas Code § 23-69-321 is amended to read as follows:

23-69-321. Injunctive orders.

Whenever it appears to the Insurance Commissioner that any person or any director, officer, employee, or agent of the person has committed or is about to commit a violation of this subchapter or of any rule~~, regulation,~~ or order of the commissioner, the commissioner may apply to the Pulaski County Circuit Court for an order enjoining such person, director, officer, employee, or agent from violating or continuing to violate this subchapter or any such rule~~, regulation,~~ or order and for such other equitable relief as the nature of the case and the interest of the insurer's policyholders, creditors, and shareholders or the public may require.

SECTION 2692. Arkansas Code § 23-69-322 is amended to read as follows:

23-69-322. Promulgation of rules ~~and regulations~~.

The Insurance Commissioner may adopt and promulgate rules ~~and regulations~~ and issue orders to carry out this subchapter.

SECTION 2393. Arkansas Code § 23-73-113(c)(5), concerning suspension or revocation of a farmers' mutual aid company's or association's certificate of authority, is amended to read as follows:

(5) Has violated or failed to comply with any applicable provision of the Arkansas Code or any lawful order or ~~regulation~~ rule of the commissioner.

SECTION 2694. Arkansas Code § 23-73-115(g), concerning a farmers' mutual aid company's or association's management and exclusive agency contracts, is amended to read as follows:

(g) The commissioner may adopt reasonable rules ~~and regulations~~ for the implementation and administration of the provisions of this section.

SECTION 2695. Arkansas Code § 23-73-117(d), concerning conversion of a farmers' mutual aid association to a mutual insurer, is amended to read as

follows:

(d) Upon conversion to a mutual insurer as provided for herein, the association shall be subject to and comply with all laws and ~~regulations~~ rules applicable to mutual insurers.

SECTION 2696. Arkansas Code § 23-75-120(b), concerning corporations with tax exempt status as nonprofit and benevolent institutions, is amended to read as follows:

(b) The corporations are exempt from state, county, district, municipal, and school tax, including the taxes prescribed by this code, and excepting only tax on net direct written premiums under § 23-75-119 and § 26-57-601 et seq. and applicable fees prescribed by § 23-61-401 and other sections of this code, or the Insurance Commissioner's rules ~~and regulations~~ applicable to hospital and medical service corporations, and taxes on real and tangible personal property situated in this state.

SECTION 2697. Arkansas Code § 23-75-122(d), concerning conversion of a hospital and medical service corporation to a legal reserve mutual life insurer, is amended to read as follows:

(d) Upon completion of its conversion to a legal reserve mutual life insurer as provided in this section, the corporation shall be subject to and comply with all laws and ~~regulations~~ rules applicable to legal reserve mutual life insurers.

SECTION 2698. Arkansas Code § 23-76-103(b), concerning applicability of the Arkansas Insurance Code and laws concerning hospital and medical service corporations to certain nonprofit vision service plan corporations, is amended to read as follows:

(b) The provisions of this chapter, the Arkansas Insurance Code, and the law concerning hospital and medical service corporations, § 23-75-101 et seq., shall not be applicable to any nonprofit vision service plan corporation composed of at least fifty (50) participating licensed optometrists or ophthalmologists licensed by the State of Arkansas to provide vision care services on a prepaid basis, when each licensed optometrist or ophthalmologist is subject to the rules ~~and regulations~~ of the professional's respective state board, and when each participating licensed optometrist or

ophthalmologist agrees to assume responsibility for completion of the provisions of the vision care services contracted for, so that no element of risk is incurred by any subscriber group or person.

SECTION 2699. Arkansas Code § 23-76-107(c)(2), concerning an application for a certificate of authority to establish and operate a health maintenance organization, is amended to read as follows:

(2) A copy of the bylaws, rules ~~and regulations~~, or similar document, if any, regulating the conduct of the internal affairs of the applicant;

SECTION 2700. Arkansas Code § 23-76-107(d)(2), concerning the filing requirements for notice describing any major modification of the operation of a health maintenance organization, is amended to read as follows:

(2) The commissioner shall promulgate rules ~~and regulations~~ exempting from the filing requirements of subdivision (c)(1) of this section those items the commissioner deems unnecessary.

SECTION 2701. Arkansas Code § 23-76-109(b)(2), concerning filing requirements for a health maintenance organization, is amended to read as follows:

(2) The commissioner may promulgate rules ~~and regulations~~ exempting from the filing requirement of subdivision (b)(1) of this section those activities having a de minimis effect.

SECTION 2702. Arkansas Code § 23-76-120(a), concerning the Insurance Commissioner's rulemaking authority providing for the licensing of agents, is amended to read as follows:

(a) After notice and hearing, the Insurance Commissioner may promulgate such reasonable rules ~~and regulations~~ as are necessary to provide for the licensing of agents.

SECTION 2703. Arkansas Code § 23-76-125 is amended to read as follows:

23-76-125. ~~Regulations~~ Rule.

(a) After notice and hearing, the Insurance Commissioner may promulgate reasonable rules ~~and regulations~~, not inconsistent with existing

statutes of this state, as are necessary or proper to carry out the provisions of this chapter.

(b) The rules ~~and regulations~~ shall be subject to review in accordance with § 23-61-307.

SECTION 2704. Arkansas Code § 23-77-103(a), concerning penalties for violation of laws concerning soliciting members for an automobile club or association, is amended to read as follows:

(a) It shall be unlawful for any person, firm, association, copartnership, corporation, company, or other organization to organize, operate, or in any way solicit members for an automobile club or association or offer any of the motor club services as defined in § 23-77-101, except in the manner provided in this chapter and under the rules ~~and regulations~~ promulgated by the Insurance Commissioner.

SECTION 2705. Arkansas Code § 23-77-105(a)(1), concerning the Insurance Commissioner's authority to grant certificates of authority to automobile clubs or associations, is amended to read as follows:

(a)(1) The Insurance Commissioner shall have full and complete authority to grant certificates of authority to automobile clubs or associations, to revoke the certificates, and to prescribe such rules ~~and regulations~~ as are reasonably necessary for the conduct of the business of the automobile clubs or associations within the state and for carrying out the objects and purposes of this chapter.

SECTION 2706. Arkansas Code § 23-79-119(b), concerning construction of an an insurance contract consistently with the policy statement within it, is amended to read as follows:

(b) All insurance contracts that are issued for specific terms and that may be renewed for subsequent terms at the option of the insured or the insurer shall be construed from and after their respective dates of renewal as being new contracts to the extent of having incorporated therein all applicable public policy that by statute or ~~regulation~~ rule may have become applicable to those contracts in the interval between:

(1) Original issuance or last renewal; and

(2) The renewal following the newly applicable statement of

public policy.

SECTION 2707. Arkansas Code § 23-79-120(c), concerning Insurance Commissioner approval for extension or renewal of a binder, is amended to read as follows:

(c) If the policy has not been issued, a binder may be extended or renewed beyond the ninety (90) days with the written approval of the Insurance Commissioner or in accordance with such rules ~~and regulations~~ relative thereto as the commissioner may promulgate.

SECTION 2708. Arkansas Code § 23-79-123(b), concerning renewal of an insurance policy by certificate, is amended to read as follows:

(b) By reasonable rules ~~and regulations~~ or by order the Insurance Commissioner may deny the use of such certificates for renewal of such types of policies or in such circumstances as may be necessary or advisable to protect insureds who may otherwise hold forms of policies which no longer contain all of the benefits or conditions applicable under similar policies currently issued by the same insurer.

SECTION 2709. Arkansas Code § 23-79-150(a)(1)(B)(ii), concerning exceptions from the definition of "healthcare plan", is amended to read as follows:

(ii) A Medicare supplement policy of insurance, as defined by the Insurance Commissioner by ~~regulation~~ rule;

SECTION 2710. Arkansas Code § 23-79-152(c), concerning cancellation, increase in premium, and negative risk rating when the insured is not at fault, is amended to read as follows:

(c) Nothing in this section shall prevent an insurer from canceling, not renewing, or revising the rating of an insurance policy if the insurer is otherwise permitted to do so by statute or ~~regulation~~ rule.

SECTION 2711. Arkansas Code § 23-79-310 is amended to read as follows:

23-79-310. Rules ~~and regulations~~.

The Insurance Commissioner may promulgate such reasonable rules ~~and regulations~~ as are necessary to carry out the provisions of this subchapter.

SECTION 2712. Arkansas Code § 23-79-404 is amended to read as follows:

23-79-404. Standards for policy provisions and authority to promulgate ~~regulations~~ rules.

(a) No Medicare supplement policy or certificate in force in this state shall contain benefits that duplicate benefits provided by Medicare.

(b) Notwithstanding any other provision of law of this state, a Medicare supplement policy or certificate shall not exclude or limit benefits for losses incurred more than six (6) months from the effective date of coverage because it involved a preexisting condition. The policy or certificate shall not define a preexisting condition more restrictively than a condition for which medical advice was given or treatment was recommended by or received from a physician within six (6) months before the effective date of coverage.

(c) The Insurance Commissioner shall adopt reasonable ~~regulations~~ rules to establish specific standards for policy provisions of Medicare supplement policies and certificates. Such standards shall be in addition to and in accordance with applicable laws of this state, including §§ 23-66-306, 23-79-109, and 23-79-112. No requirement of the Arkansas Insurance Code relating to minimum required policy benefits, other than the minimum standards contained in this subchapter, shall apply to Medicare supplement policies and certificates. The standards may cover, but not be limited to:

(1) Terms of renewability;

(2) Initial and subsequent conditions of eligibility;

(3) Nonduplication of coverage;

(4) Probationary periods;

(5) Benefit limitations, exceptions, and reductions;

(6) Elimination periods;

(7) Requirements for replacement;

(8) Recurrent conditions; and

(9) Definitions of terms.

(d) The commissioner shall adopt reasonable ~~regulations~~ rules to establish minimum standards for benefits, claims payment, marketing practices and compensation arrangements, and reporting practices for Medicare supplement policies and certificates.

(e) The commissioner may adopt, from time to time, such reasonable

~~regulations~~ rules as are necessary to conform Medicare supplement policies and certificates to the requirements of federal law and regulations promulgated thereunder, including, but not limited to:

(1) Requiring refunds or credits if the policies or certificates do not meet loss ratio requirements;

(2) Establishing a uniform methodology for calculating and reporting loss ratios;

(3) Assuring public access to policies, premiums, and loss ratio information of issuers of Medicare supplement insurance;

(4) Establishing a process for approving or disapproving policy forms and certificate forms and proposed premium increases;

(5) Establishing a policy for holding public hearings prior to approval of premium increases; and

(6) Establishing standards for Medicare SELECT policies and certificates.

(f) The commissioner may adopt reasonable ~~regulations~~ rules that specify prohibited policy provisions not otherwise specifically authorized by statute which, in the opinion of the commissioner, are unjust, unfair, or unfairly discriminatory to any person insured or proposed to be insured under a Medicare supplement policy or certificate.

SECTION 2713. Arkansas Code § 23-79-405 is amended to read as follows:

23-79-405. Loss ratio standards.

Medicare supplement policies shall return to policyholders benefits which are reasonable in relation to the premiums charged. The Insurance Commissioner shall issue reasonable ~~regulations~~ rules to establish minimum standards for loss ratios of Medicare supplement policies on the basis of incurred claims experience, or incurred healthcare expenses when coverage is provided by a health maintenance organization on a service rather than reimbursement basis, and earned premiums in accordance with accepted actuarial principles and practices.

SECTION 2714. Arkansas Code § 23-79-406(d) and (e), concerning disclosure standards in the sale of Medicare supplement policies, are amended to read as follows:

(d) The commissioner may adopt ~~regulations~~ rules for captions or

notice requirements determined to be in the public interest and designed to inform prospective insureds that particular insurance coverages are not Medicare supplement coverages for all accident and health insurance policies sold to persons eligible for Medicare by reason of age, other than:

(1) Medicare supplement policies;

(2) Disability income policies;

(3) Basic, catastrophic, or major medical expense policies; or

(4) Single premium, nonrenewable policies.

(e) The commissioner may adopt reasonable ~~regulations~~ rules to govern the full and fair disclosure of the information in connection with the replacement of accident and health policies, subscriber contracts, or certificates by persons eligible for Medicare.

SECTION 2715. Arkansas Code § 23-79-409 is amended to read as follows:

23-79-409. Administrative procedures.

~~Regulations~~ Rules adopted pursuant to this subchapter shall be subject to the provisions of § 23-61-108 and to the provisions of the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 2716. Arkansas Code § 23-79-410 is amended to read as follows:

23-79-410. Penalties.

In addition to any other applicable penalties for violations of the Arkansas Insurance Code, the Insurance Commissioner may require issuers violating any provisions of this subchapter or ~~regulations~~ rules promulgated pursuant to this subchapter to cease marketing any Medicare supplement policy or certificate in this state which is related directly or indirectly to a violation or may require the issuer to take such actions as are necessary to comply with the provisions of this subchapter, or both.

SECTION 2717. Arkansas Code § 23-79-604 is amended to read as follows:

23-79-604. Exclusions.

This subchapter shall not be construed as prohibiting a health insurance policy from excluding from coverage diabetes self-management training or equipment or supplies and related services for the treatment of Type I diabetes, Type II diabetes, or gestational diabetes when the training, equipment, supplies, and services are not medically necessary, provided that

the medical necessity determination is made in accordance with generally accepted standards of the medical profession and other applicable laws and ~~regulations~~ rules.

SECTION 2718. Arkansas Code § 23-79-605 is amended to read as follows:

23-79-605. ~~Regulations~~ Rules.

The State Insurance Department shall develop and promulgate ~~regulations~~ rules to implement the provisions of this subchapter.

SECTION 2719. Arkansas Code § 23-79-802(2)(A)(i), concerning the definition of "state-mandated health benefits", is amended to read as follows:

(2)(A)(i) "State-mandated health benefits" means coverages for healthcare services or benefits required by state law or state ~~regulations~~ rules, requiring the reimbursement or utilization related to a specific health illness, injury, or condition of the covered person or inclusion of a specific category of licensed healthcare practitioner to be provided to the covered person in a health benefits plan for a health-related condition of a covered person.

SECTION 2720. Arkansas Code § 23-79-803(c), concerning requirements relating to offering a health benefits plan not subject to state mandated health benefits, is amended to read as follows:

(c) In each sale of health policies or health contracts in which the proposed insured has selected a health benefits plan that, either in whole or in part, does not provide state-mandated health benefits, the accident and health insurer, hospital and medical service corporation, or health maintenance organization shall provide to the policyholder and to each certificate holder of a group health benefit plan a written notice, in a form and manner required by rule ~~or regulation~~ promulgated by the Insurance Commissioner, that one (1) or more of the mandated benefits are not included in the health benefit plan selected by the policyholder.

SECTION 2721. Arkansas Code § 23-79-805 is amended to read as follows:

23-79-805. ~~Regulations~~ Rules.

The Insurance Commissioner may promulgate ~~regulations~~ rules necessary

to implement the provisions of this subchapter.

SECTION 2722. Arkansas Code § 23-80-206(b)(3)(B), concerning minimum standards and testing, is amended to read as follows:

(B) Any policy language which is drafted to conform to the requirements of any federal law, regulation, or agency interpretation, any policy language required by any collectively bargained agreement, any medical terminology, any words which are defined in the policy, and any policy language required by law or ~~regulation~~ rule, provided that the insurer identifies the language or terminology excepted by this subdivision (b)(3) and certifies in writing that the language or terminology is entitled to be excepted by this subdivision (b)(3).

SECTION 2723. Arkansas Code § 23-80-207(3), concerning the Insurance Commissioner's discretion to authorize a lower score than the Flesch reading ease score under certain circumstances, is amended to read as follows:

(3) Is caused by certain policy language which is drafted to conform to the requirements of any state law, ~~regulation~~ rule, or agency interpretation.

SECTION 2724. Arkansas Code § 23-80-305(a), concerning rulemaking power of the Insurance Commissioner, is amended to read as follows:

(a) After notice and hearing, the Insurance Commissioner may issue reasonable rules ~~or regulations~~ implementing §§ 23-80-306 and 23-80-308.

SECTION 2725. Arkansas Code § 23-80-306(b), concerning rulemaking authority of the Insurance Commissioner regarding compliance dates for personal lines policies, is amended to read as follows:

(b)(1)(A) In addition to any other requirements of law, the Insurance Commissioner shall by ~~regulation~~ rule specify the dates by which personal lines policies shall comply with subsection (a) of this section.

(B) The dates established by the commissioner for compliance shall not be less than eighteen (18) months nor more than thirty-six (36) months from the effective date of the regulation.

(C) "Personal lines policies" are policies:

(i) Solely used to provide homeowners' insurance,

dwelling fire insurance on one (1) to four (4) family units, or individual fire insurance on dwelling contents; or

(ii) Principally used to provide primary insurance on private passenger nonfleet automobiles individually owned and used for personal or family needs.

(2) In addition to any other requirements of law, the commissioner may by ~~regulations~~ rules specify which policies, other than those described in subdivision (b)(1) of this section, shall comply with subsection (a) of this section. The dates, if any, established by the commissioner for compliance may not be less than forty-eight (48) months from June 17, 1981, or twenty-four (24) months from the effective date of the regulation establishing the dates, whichever is later.

SECTION 2726. Arkansas Code § 23-80-409 is amended to read as follows:

23-80-409. Enabling clause.

The Insurance Commissioner shall promulgate ~~regulations~~ rules necessary to implement this subchapter and shall look for guidance to the standards and implementation guides produced by the National Council for Prescription Drug Programs.

SECTION 2727. Arkansas Code § 23-81-209(h)(2)(F)(i), concerning the calculation of adjusted premiums and present values, is amended to read as follows:

(F)(i) For a policy issued before the operative date of the valuation manual, any Commissioner's Standard Ordinary Mortality Table, adopted after 1980 by the National Association of Insurance Commissioners, that is approved by ~~regulation~~ rule promulgated by the Insurance Commissioner for use in determining the minimum nonforfeiture standard may be substituted for the 1980 Commissioner's Standard Ordinary Mortality Table with or without Ten-Year Select Mortality Factors or for the 1980 Commissioner's Extended Term Insurance Table.

SECTION 2728. Arkansas Code § 23-81-209(h)(2)(G)(i), concerning the calculation of adjusted premiums and present values, is amended to read as follows:

(G)(i) For a policy issued before the operative date of

the valuation manual, any Commissioner's Standard Industrial Mortality Table, adopted after 1980 by the National Association of Insurance Commissioners, that is approved by ~~regulations~~ rules promulgated by the commissioner for use in determining the minimum nonforfeiture standard may be substituted for the 1961 Commissioner's Standard Industrial Mortality Table or the 1961 Commissioner's Industrial Extended Term Insurance Table.

SECTION 2729. Arkansas Code § 23-81-210(a)(3), concerning rulemaking authority of the Insurance Commissioner regarding the calculation of future adjusted premiums, is amended to read as follows:

(3) The cash surrender values and paid-up nonforfeiture benefits provided by the plan must not be less than the minimum values and benefits required for the plan computed by a method consistent with the principles of this subchapter, as determined by ~~regulations~~ rules promulgated by the commissioner.

SECTION 2730. Arkansas Code § 23-81-313 is amended to read as follows:

23-81-313. Rules ~~and regulations~~.

The Insurance Commissioner may adopt rules ~~and regulations~~ to implement the provisions of this subchapter.

SECTION 2731. Arkansas Code § 23-81-402 is amended to read as follows:

23-81-402. Provisions for allocation of income.

A domestic life insurance company may establish one (1) or more separate accounts and may allocate thereto amounts including, without limitation, proceeds applied under optional modes of settlement or under dividend options to provide for life insurance or annuities, and benefits incidental thereto, payable in fixed or variable amounts, or subject to a market value adjustment as provided in rules ~~and regulations~~ adopted by the Insurance Commissioner, subject to the following:

(1) The income, gains, and losses, realized or unrealized, from assets allocated to a separate account shall be credited to or charged against the account without regard to other income, gains, or losses of the company or to any other separate account of the company;

(2) Except as may be provided with respect to reserves for guaranteed benefits and funds referred to in subdivision (3) of this section,

amounts allocated to any separate account and accumulations thereon may be invested and reinvested without regard to any requirements or limitations prescribed by the laws of this state governing the investments of life insurance companies. The investments in the separate accounts shall not be considered when applying the investment limitations otherwise applicable to the investments of the company;

(3) Except with the approval of the commissioner and under such conditions as to investments and other matters as the commissioner may prescribe which shall recognize the guaranteed nature of the benefits provided, reserves for benefits guaranteed as to dollar amount and duration and funds guaranteed as to principal amount or stated rate of interest shall not be maintained in a separate account;

(4)(A) Unless otherwise approved by the commissioner, assets allocated to a separate account shall be valued at their market value on the date of valuation, with the exception of separate accounts supporting modified guaranteed annuities which shall be valued as provided in such rules ~~and regulations~~ as the commissioner shall adopt, or, if there is no readily available market, then as provided under the terms of the contract or the rules or other written agreement applicable to the separate account.

(B) However, unless approved by the commissioner, the portion of any of the assets of the separate account equal to the company's reserve liability with regard to the guaranteed benefits and funds referred to in subdivision (3) of this section shall be valued in accordance with the rules otherwise applicable to the company's assets;

(5)(A) Amounts allocated to a separate account in the exercise of the power granted by this subchapter shall be owned by the company. The company shall not be, nor hold itself out to be, a trustee with respect to the amounts.

(B)(i) If and to the extent so provided under the applicable contracts, that portion of the assets of any such separate account equal to the reserves and other contract liabilities with respect to the account shall not be chargeable with liabilities arising out of any other business the company may conduct.

(ii) However, in no event shall the assets in a separate account for support of modified guaranteed annuity contracts subject to a market adjustment as provided in this section be immune from liabilities

arising out of any other business the company conducts;

(6)(A) No sale, exchange, or other transfer of assets may be made by a company between any of its separate accounts or between any other investment account and one (1) or more of its separate accounts unless, in case of a transfer into a separate account, the transfer is made solely to establish the account or to support the operation of the contracts with respect to the separate account to which the transfer is made, and unless such a transfer, whether into or from a separate account, is made by a transfer of cash or by a transfer of securities having a readily determinable market value, provided that the transfer of securities is approved by the commissioner.

(B) The commissioner may approve other transfers among accounts if, in the commissioner's opinion, the transfers would not be inequitable; and

(7) To the extent the company deems it necessary to comply with any applicable federal or state laws, the company, with respect to any separate account, including, without limitation, any separate account which is a management investment company or a unit investment trust, may provide for persons having an interest therein appropriate voting and other rights and special procedures for the conduct of the business of the account, including, without limitation, special rights and procedures relating to investment policy, investment advisory services, selection of independent public accountants, and the selection of a committee, the members of which need not be otherwise affiliated with the company, to manage the business of the account.

SECTION 2732. Arkansas Code § 23-83-107(3), concerning requirements of group insurance coverage offered to a resident of Arkansas, is amended to read as follows:

(3) The commissioner may issue ~~regulations~~ rules implementing the requirements of subdivision (1) of this section; and

SECTION 2733. Arkansas Code § 23-84-103(b)(2), concerning minimum standards for valuation of certain policies and contracts, is amended to read as follows:

(2) For industrial life insurance policies issued on the

standard basis, excluding any disability and accidental death benefits in such policies, the Commissioner's 1941 Standard Industrial Mortality Table for policies issued prior to the operative date of § 23-81-213(c) and, for policies issued on or after the operative date of § 23-81-213(c), the Commissioner's 1961 Standard Industrial Mortality Table or any industrial mortality table adopted after 1980 by the National Association of Insurance Commissioners that is approved by ~~regulations~~ rules promulgated by the commissioner for use in determining the minimum standard of valuation for the policies;

SECTION 2734. Arkansas Code § 23-84-103(b)(5) and (6), concerning minimum standards for valuation of certain policies and contracts, are amended to read as follows:

(5) For total and permanent disability benefits in or supplementary to ordinary policies or contracts, for policies or contracts issued on or after January 1, 1966, the tables of Period 2 disablement rates and the 1930 to 1950 termination rates of the 1952 Disability Study of the Society of Actuaries, with due regard to the type of benefit, or any tables of disablement rates and termination rates adopted after 1980 by the National Association of Insurance Commissioners that are approved by ~~regulation~~ rule promulgated by the commissioner for use in determining the minimum standard of valuation for the policies and, for policies or contracts issued on or after January 1, 1961, and prior to January 1, 1966, either such tables, or, at the option of the insurer, the Class (3) Disability Table (1926) and, for policies issued prior to January 1, 1961, the Class (3) Disability Table (1926). Any table, for active lives, shall be combined with a mortality table permitted for calculating the reserves for life insurance policies;

(6) For accidental death benefits in or supplementary to policies, for policies issued on or after January 1, 1966, the 1959 Accidental Death Benefits Table or any accidental death benefits table adopted after 1980 by the National Association of Insurance Commissioners, that is approved by ~~regulation~~ rule promulgated by the commissioner for use in determining the minimum standard of valuation for the policies and, for policies issued on or after January 1, 1961, and prior to January 1, 1966, either such table, or, at the option of the insurer, the Inter-Company Double Indemnity Mortality Table and, for policies issued prior to January 1, 1961,

the Inter-Company Double Indemnity Mortality Table. Either table shall be combined with a mortality table permitted for calculating the reserves for life insurance policies; and

SECTION 2735. Arkansas Code § 23-84-104(a)(1)-(3), concerning minimum standards for the valuation of certain individual annuity and pure endowment contracts, are amended to read as follows:

(1) For individual single premium immediate annuity contracts excluding any disability and accidental death benefits in the contracts, the 1971 Individual Annuity Mortality Table or any individual annuity mortality table adopted after 1980 by the National Association of Insurance Commissioners and approved by ~~regulation~~ rule promulgated by the commissioner for use in determining the minimum standard of valuation for the contracts, or any modification of these tables approved by the commissioner, and seven and one-half percent (7.5%) interest;

(2) For individual annuity and pure endowment contracts other than single premium immediate annuity contracts, excluding any disability and accidental death benefits in the contracts, the 1971 Individual Annuity Mortality Table or any individual annuity mortality table adopted after 1980 by the National Association of Insurance Commissioners that is approved by ~~regulation~~ rule promulgated by the commissioner for use in determining the minimum standard of valuation for the contracts, or any modification of these tables approved by the commissioner, and five and one-half percent (5.5%) interest for single premium deferred annuity and pure endowment contracts and four and one-half percent (4.5%) interest for all other individual annuity and pure endowment contracts; and

(3) For all annuities and pure endowments under group annuity and pure endowment contracts, excluding any disability and accidental death benefits purchased under the contracts, the 1971 Group Annuity Mortality Table or any group annuity mortality table adopted after 1980 by the National Association of Insurance Commissioners that is approved by ~~regulations~~ rules promulgated for the commissioner for use in determining the minimum standard of valuation for the annuities and pure endowments, or any modification of these tables approved by the commissioner, and seven and one-half percent (7.5%) interest.

SECTION 2736. Arkansas Code § 23-84-105(e), concerning methods of determining reference interest rates, is amended to read as follows:

(e) Alternative Method for Determining Reference Interest Rates. In the event that the Monthly Average of the Composite Yield on Seasoned Corporate Bonds is no longer published by Moody's Investors Service, Inc., or in the event that the National Association of Insurance Commissioners determines that the Monthly Average of the Composite Yield on Seasoned Corporate Bonds as published by Moody's Investors Service, Inc., is no longer appropriate for the determination of the reference interest rate, then an alternative method for determination of the reference interest rate which is adopted by the National Association of Insurance Commissioners and approved by ~~regulation~~ rule promulgated by the Insurance Commissioner may be substituted.

SECTION 2737. Arkansas Code § 23-84-111(a)(2), concerning the calculation of reserves by life insurers, is amended to read as follows:

(2) Computed by a method which is consistent with the principles of this chapter, as determined by ~~regulations~~ rules promulgated by the Insurance Commissioner.

SECTION 2738. Arkansas Code § 23-84-112(a)(1)(B), concerning rulemaking authority of the Insurance Commissioner concerning actuarial studies, is amended to read as follows:

(B) By ~~regulation~~ rule, the commissioner shall define the specifics of this opinion and add any other items deemed to be necessary to its scope.

SECTION 2739. Arkansas Code § 23-84-112(a)(2)-(4), concerning the actuarial analysis of reserves and assets supporting the reserves, are amended to read as follows:

(2) Actuarial Analysis of Reserves and Assets Supporting Such Reserves.

(A) Except as exempted by or pursuant to ~~regulation~~ rule, every life insurance company shall also annually include in the opinion required by subdivision (a)(1) of this section an opinion of the same qualified actuary as to whether the reserves and related actuarial items held

in support of the policies and contracts specified by the commissioner by ~~regulation~~ rule, when considered in light of the assets held by the company with respect to the reserves and related actuarial items, including, but not limited to, the investment earnings on the assets and the considerations anticipated to be received and retained under the policies and contracts, make adequate provision for the company's obligations under the policies and contracts, including, but not limited to, the benefits under and expenses associated with the policies and contracts.

(B) The commissioner may provide by ~~regulation~~ rule for a transition period for establishing any higher reserves which the qualified actuary may deem necessary in order to render the opinion required by this section.

(3) Requirements for Opinion Under Subdivision (a)(2) of this Section. An opinion required by subdivision (a)(2) of this section shall be governed by the following provisions:

(A) A memorandum, in form and substance acceptable to the commissioner as specified by regulation, shall be prepared to support each actuarial opinion; and

(B) If the insurance company fails to provide a supporting memorandum at the request of the commissioner within a period specified by ~~regulation~~ rule or the commissioner determines that the supporting memorandum provided by the insurance company fails to meet the standards prescribed by the ~~regulations~~ rules or is otherwise unacceptable to the commissioner, the commissioner may engage a qualified actuary at the expense of the company to review the opinion and the basis for the opinion and prepare such supporting memorandum as is required by the commissioner.

(4) Requirement for All Opinions Subject to this Subsection. An opinion required by this subsection shall be governed by the following provisions:

(A) The opinion shall be submitted with the annual statement reflecting the valuation of such reserve liabilities for each year ending on or after December 31, 1995;

(B) The opinion shall apply to all business in force, including individual and group health insurance plans, in form and substance acceptable to the commissioner as specified by ~~regulation~~ rule;

(C) The opinion shall be based on standards adopted from

time to time by the Actuarial Standards Board and on such additional standards as the commissioner may by ~~regulation~~ rule prescribe;

(D) In the case of an opinion required to be submitted by a foreign or alien company, the commissioner may accept the opinion filed by that company with the insurance supervisory official of another state if the commissioner determines that the opinion reasonably meets the requirements applicable to a company domiciled in this state;

(E) For the purposes of this section, "qualified actuary" means a member in good standing of the American Academy of Actuaries who meets the requirements set forth in such ~~regulations~~ rules;

(F) Except in cases of fraud or willful misconduct, the qualified actuary shall not be liable for damages to any person, other than the insurance company and the commissioner, for any act, error, omission, decision, or conduct with respect to the actuary's opinion;

(G) Disciplinary action by the commissioner against the company or the qualified actuary shall be defined in ~~regulations~~ rules by the commissioner; and

(H)(i) Any memorandum in support of the opinion and any other material provided by the company to the commissioner in connection therewith shall be kept confidential by the commissioner and shall not be made public and shall not be subject to subpoena, other than for the purpose of defending an action seeking damages from any person by reason of any action required by this section or by ~~regulations~~ rules promulgated under this chapter.

(ii) However, the memorandum or other material may otherwise be released by the commissioner:

(a) With the written consent of the company; or

(b) To the American Academy of Actuaries upon request stating that the memorandum or other material is required for the purpose of professional disciplinary proceedings and setting forth procedures satisfactory to the commissioner for preserving the confidentiality of the memorandum or other material.

(iii) Once any portion of the confidential memorandum is cited by the company in its marketing or is cited before any governmental agency other than a state insurance department or is released by

the company to the news media, all portions of the confidential memorandum shall be no longer confidential.

SECTION 2740. Arkansas Code § 23-84-112(b)(2), concerning the actuarial opinion of reserves after the operative date of the valuation manual, is amended to read as follows:

(2) Actuarial Analysis of Reserves and Assets Supporting Such Reserves. A company with an outstanding policy or contract in this state that is subject to ~~regulation~~ rules promulgated by the commissioner, except as exempted in the valuation manual, annually shall include in the opinion required by subdivision (b)(1) of this section an opinion of the appointed actuary under subdivision (b)(1)(A) of this section as to whether the reserves and related actuarial items held in support of the policies and contracts specified in the valuation manual, when considered in light of the assets held by the company with respect to the reserves and related actuarial items, including without limitation the investment earnings on the assets and the considerations anticipated to be received and retained under the policies and contracts, make adequate provision for the company's obligations under the policies and contracts, including without limitation the benefits under and expenses associated with the policies and contracts.

SECTION 2741. Arkansas Code § 23-84-113 is amended to read as follows:

23-84-113. Rules ~~and regulations~~.

The Insurance Commissioner shall have the authority to promulgate reasonable rules ~~and regulations~~ as may be appropriate to carry out the purposes and provisions of this chapter.

SECTION 2742. Arkansas Code § 23-85-104(4)(C), concerning the format and text of the official forms concerning accident and health insurance policies, is amended to read as follows:

(C) The appearance of text in forms developed for electronic transmission shall comply with rules ~~and regulations~~ developed by the Insurance Commissioner.

SECTION 2743. Arkansas Code § 23-85-132 is amended to read as follows:

23-85-132. Reduction of benefits due to other insurance contracts

prohibited.

(a) No contract of individual accident and health insurance or health coverage sold, delivered, or issued for delivery or offered for sale in this state by an insurer, hospital and medical service corporation, or health maintenance organization, directly or indirectly providing indemnity services, healthcare services, or cash to an individual as a result of hospitalization, medical or surgical treatment, or dental care shall contain a provision reducing the benefit that would otherwise be payable to the individual in the absence of other insurance or health coverage if the reduction of benefits is due solely to the existence of one (1) or more additional contracts providing benefits to that individual unless the reduction complies with coordination of benefit rules ~~and regulations~~ adopted by the Insurance Commissioner.

(b) No contract of individual accident and health insurance sold, delivered, or issued for delivery or offered for sale in this state providing disability income coverage shall contain any provision for the denial or reduction of benefits because of the existence of other insurance, except as provided in § 23-85-122 or any coverages approved by the commissioner pursuant thereto and except that the benefits may be reduced to offset disability income benefits payable under the Social Security Act.

(c) The commissioner may issue rules ~~and regulations~~ to implement this section, including, but not limited to, ~~regulations~~ rules as to the amount of reductions and the nature and timing of proofs of eligibility for Social Security benefits.

SECTION 2744. Arkansas Code § 23-86-110(a)(1), concerning rulemaking authority of the Insurance Commissioner regarding group accident and health insurance carriers, is amended to read as follows:

(a)(1) All group accident and health insurance carriers including hospital and medical service corporations shall be subject to the "primary" and "secondary" carrier rules ~~and regulations~~ promulgated by the Insurance Commissioner.

SECTION 2745. Arkansas Code § 23-86-111(b)(2)-(4), concerning payment of benefits under group accident and health insurance coverage when other similar insurance exists, are amended to read as follows:

(2) "Other such coverage" for which a reduction may be effected includes:

(A) Governmental programs such as Social Security, the Arkansas Public Employees' Retirement System, the state workers' compensation system, and all other government-sponsored, mandatory plans or programs that provide for disability benefit coverage;

(B) Disability or pension income coverages as established by the Insurance Commissioner through implementing rules ~~and regulations~~; and

(C) Such other programs, coverages, or permissible reductions as the commissioner may establish through rules ~~and regulations~~.

(3) The amount of any such reduction shall not be increased with any increase in the level of Social Security benefits payable that becomes effective after a claim commences.

(4) The commissioner may also issue rules ~~and regulations~~ to implement this section and § 23-86-110, including, but not limited to, the nature and timing of proofs of eligibility for Social Security benefits.

SECTION 2746. Arkansas Code § 23-86-303(33), concerning the definition of the term "regulations", is amended to read as follows:

(33) "~~Regulations~~ Rules" means rules ~~and regulations~~ promulgated by the Insurance Commissioner unless the context requires otherwise;

SECTION 2747. Arkansas Code § 23-86-304(c)(2)(i), concerning the method of crediting coverage with regard to preexisting conditions, is amended to read as follows:

(i) A group health plan or a health insurance issuer offering group health insurance coverage may elect to apply subdivision (a)(3) of this section based on coverage of benefits within each of several classes or categories of benefits specified in ~~regulations~~ rules rather than as provided under subdivision (c)(2)(A) of this section.

SECTION 2748. Arkansas Code § 23-86-310(2)(C), concerning the definition of "excepted benefits", is amended to read as follows:

(C) Such other similar, limited benefits as specified in ~~regulations~~ rules;

SECTION 2749. Arkansas Code § 23-86-311(b)(7)(B), concerning circumstances under which a health insurer may nonrenew or discontinue health insurance coverage offered in connection with a group plan, is amended to read as follows:

(B) The Insurance Commissioner shall determine by rule ~~or regulation~~ the form, content, and timing of the notice under subdivision (7)(A) of this section.

SECTION 2750. Arkansas Code § 23-86-404(b)(2), concerning the rulemaking authority of the Insurance Commissioner regarding optional health benefit plans, is amended to read as follows:

(2) The Insurance Commissioner shall promulgate rules ~~and regulations~~ as may be necessary to implement the provisions of this subchapter and to ensure that the price of the option provided in this section bears a reasonable relationship to the costs and benefits of the limited network plan.

SECTION 2751. Arkansas Code § 23-86-502(15), concerning the definition of "state-mandated health benefits", is amended to read as follows:

(15)(A)(i) "State-mandated health benefits" means coverages for healthcare services or benefits required by state law or state ~~regulations~~ rules requiring the reimbursement or utilization related to a specific health illness, injury, or condition of the covered person or the inclusion of a specific category of licensed healthcare practitioner to be provided to the covered person in a health benefits plan for a health-related condition of a covered person.

(ii) However, for the purposes of the options provided by this subchapter, state-mandated health benefits that may be excluded, in whole or in part, shall not include any healthcare services or benefits that were mandated by Acts 1971, No. 34.

(B) "State-mandated health benefits" does not mean standard provisions or rights required to be present in a health benefit plan pursuant to state law or state ~~regulations~~ rules unrelated to a specific health illness, injury, or condition of the insured, including, but not limited to, those related to continuation of benefits in § 23-86-114, or entitlement to a conversion policy under § 23-86-115; and

SECTION 2752. Arkansas Code § 23-86-503(d)(1)(C), concerning the annual filings of health insurance purchasing groups, is amended to read as follows:

(C) Membership and disclosure requirements or other information as required by the commissioner through rules ~~and regulations~~.

SECTION 2753. Arkansas Code § 23-86-504(g), concerning health benefits plans offered by a health insurance purchasing group, is amended to read as follows:

(g) The health insurance purchasing group may also offer a health benefits plan not subject to state-mandated health benefits that does not contain standard provisions or rights required to be present in a health benefits plan pursuant to law or regulations unrelated to a specific health illness, injury, or condition of the insured, for the provisions as may be determined by rules ~~and regulations~~ of the Insurance Commissioner.

SECTION 2754. Arkansas Code § 23-86-505 is amended to read as follows:

23-86-505. Notice requirements.

In each sale of a health benefits plan to a proposed eligible employer through a health insurance purchasing group in which the health insurance purchasing group offers an option to an eligible employer to obtain a health benefits plan that, either in whole or in part, does not provide state-mandated health benefits or does not contain standard provisions as may be determined by rules ~~and regulations~~ of the Insurance Commissioner, the health insurance purchasing group, after the employer has selected its health benefit plan, shall provide to each eligible employee of the employer a written notice, in a form and manner as prescribed by rule or regulation promulgated by the commissioner, that one (1) or more mandated benefits are not included in the health benefit plan.

SECTION 2755. Arkansas Code § 23-86-507 is amended to read as follows:

23-86-507. Filing and form filing requirements.

Each health insurance purchasing group shall file forms as may be described by rules ~~and regulations~~ of the Insurance Commissioner.

SECTION 2756. Arkansas Code § 23-86-511 is amended to read as follows:

23-86-511. ~~Regulations~~ Rules.

The Insurance Commissioner may promulgate ~~regulations~~ rules necessary to implement the provisions of this subchapter.

SECTION 2757. Arkansas Code § 23-87-117(a)(1), concerning rulemaking authority of the Insurance Commissioner concerning the maximum compensation payable to certain insurance professionals, is amended to read as follows:

(a)(1) In order to assure that the premium rates charged or to be charged for credit life insurance or credit disability insurance are reasonable in relation to benefits provided, the Insurance Commissioner, after due notice and hearing, may issue rules ~~and regulations~~ establishing the maximum compensation payable to an agent, a broker, or a creditor or any affiliate, associate, subsidiary, director, officer, employee, or other representative of or for the creditor for writing or handling the insurance, including commission, dividends, premium adjustments, policy writing fees, underwriting gain, or any compensation or remuneration in whatever form.

SECTION 2758. Arkansas Code § 23-87-117(b), concerning exceptions from the definition of "compensation", is amended to read as follows:

(b) Provided, the term “compensation” as defined and used in this section shall not be deemed to include reinsurance premiums paid to, or underwriting profits generated by, an insurer or reinsurer owned by, controlled by, or under common control with a credit insurer, an agent, broker, creditor, group of creditors, or any affiliate, associate, subsidiary, director, officer, employee, or other representative of, or for such a credit insurer, creditor, or group of creditors, on accounts in existence with such an insurer or reinsurer on January 17, 1989, that have been registered with the commissioner within twenty (20) days of July 3, 1989, in accordance with pertinent rules ~~and regulations~~ promulgated by the commissioner.

SECTION 2759. Arkansas Code § 23-87-118(a), concerning the Insurance Commissioner’s rulemaking authority regarding enforcement of the Model Act for the Regulation of Credit Life Insurance and Credit Disability Insurance, is amended to read as follows:

(a) After notice and hearing, the Insurance Commissioner may issue such rules ~~and regulations~~ as the commissioner deems appropriate for the supervision of this chapter.

SECTION 2760. Arkansas Code § 23-88-308(a), concerning the powers and duties of the Insurance Commissioner, is amended to read as follows:

(a) In addition to approving the plan of operation, the Insurance Commissioner shall have the authority to promulgate rules ~~and regulations~~ necessary to effect the purpose of this subchapter.

SECTION 2761. Arkansas Code § 23-88-405 is amended to read as follows:

23-88-405. Rules ~~and regulations~~.

The Insurance Commissioner may adopt reasonable rules ~~and regulations~~ to enforce the provisions of this subchapter.

SECTION 2762. Arkansas Code § 23-89-504(b)(3), concerning the rulemaking authority of the Director of the Department of Labor regarding amusement attractions and amusement rides, is amended to read as follows:

(3) The Director of the Department of Labor shall promulgate ~~regulations~~ rules for the proper administration and enforcement of this subchapter, including ~~regulations~~ rules establishing minimum safety requirements for the operation and maintenance of amusement rides and amusement attractions.

SECTION 2763. Arkansas Code § 23-89-506(a)(4)(A), concerning amusement ride safety inspections, is amended to read as follows:

(4)(A) Inflatable attractions, self-contained mobile playgrounds, artificial climbing walls, and other patron-propelled amusement rides or amusement attractions shall be inspected every six (6) months, unless a more frequent schedule of inspections is established by ~~regulation~~ rule of the director for certain types of inflatable attractions and self-contained mobile playgrounds.

SECTION 2764. Arkansas Code § 23-89-506(f), concerning the fee for amusement ride safety inspections, is amended to read as follows:

(f) The director is authorized by ~~regulation~~ rule to implement an

inspection fee waiver program for the benefit of a county fair association, provided that:

(1) The county's population is under fifteen thousand (15,000) based on United States Bureau of the Census estimates as of July 1, 1999; and

(2) The county fair association can demonstrate that it would be unable to obtain a carnival for its county fair without such a waiver.

SECTION 2765. Arkansas Code § 23-89-507(f), concerning registration of an employee or contractor of an insurer inspecting amusement rides, is amended to read as follows:

(f) Any employee or contractor of an insurer inspecting amusement rides in Arkansas shall be registered and certified by the Department of Labor pursuant to ~~regulation~~ rule adopted by the director.

SECTION 2766. Arkansas Code § 23-89-508 is amended to read as follows:

23-89-508. Rules ~~and regulations~~.

The Director of the Department of Labor is authorized to adopt appropriate rules ~~and regulations~~ to carry out the intent and purposes of this subchapter and to assure its efficient and effective enforcement.

SECTION 2767. Arkansas Code § 23-89-518(b)(1), concerning duties of the Amusement Ride Safety Advisory Board, is amended to read as follows:

(1) To assist the Director of the Department of Labor with the formulation of rules ~~and regulations~~ regarding the safe operation of amusement rides; and

SECTION 2768. Arkansas Code § 23-90-122 is amended to read as follows:

23-90-122. Rules ~~and regulations~~.

The State Insurance Department is authorized and directed to issue such reasonable rules ~~and regulations~~ as may be necessary to carry out the various purposes and provisions of this chapter, and in augmentation thereof.

SECTION 2769. Arkansas Code § 23-91-204(b), concerning applicability of other insurance laws governing hearings and appeals to the Arkansas Legal Insurance Act, is amended to read as follows:

(b) Orders~~,~~ or rules~~, or regulations~~ of the Insurance Commissioner

issued under the provisions of this subchapter shall be subject to the provisions of the general insurance laws and the provisions of the Arkansas Administrative Procedure Act, § 25-15-201 et seq., relating to hearings and appeals.

SECTION 2770. Arkansas Code § 23-91-209(a)(3)(C), concerning the applicability of other laws to the considerations for the Insurance Commissioner in issuing a certificate of authority, is amended to read as follows:

(C) Any agreement with another person authorized under this subchapter, an insurer licensed under the general insurance laws to do business in this state, a reinsurer eligible under the laws or ~~regulations~~ rules of this state to provide reinsurance, or an agency of the federal or state government for insuring the payment of the cost of legal services or the provision for automatic applicability of an alternative coverage in the event the insurer is unable to perform its obligation;

SECTION 2771. Arkansas Code § 23-91-224 is amended to read as follows:

23-91-224. Authority to promulgate rules.

The Insurance Commissioner may promulgate such reasonable rules ~~or regulations~~ as are necessary or proper to carry out the provisions of this subchapter.

SECTION 2772. Arkansas Code § 23-92-402(14), concerning the definition of "professional employer organization service organization affidavit", is amended to read as follows:

(14) “Professional employer organization service organization affidavit” means an attestation or certification of a professional employer organization service organization and any additional information that conforms to the requirements in the rules ~~and regulations~~ as promulgated by the commissioner;

SECTION 2773. Arkansas Code § 23-92-403(d), concerning the effect of other laws on Arkansas Code Title 23, Chapter 92, Subchapter 4, is amended to read as follows:

(d) A professional employer organization shall not be deemed to engage

in any occupation, trade, profession, or other activity that is subject to licensing, registration, or certification requirements, or is otherwise regulated by a governmental entity, solely by entering into and maintaining a coemployment relationship with a covered employee who is subject to this subchapter or to ~~regulations~~ rules promulgated under this subchapter.

SECTION 2774. Arkansas Code § 23-92-407(e), concerning the Insurance Commissioner's rulemaking authority over fees for certain licensing statements, is amended to read as follows:

(e) By ~~regulation~~ rule, the Insurance Commissioner may increase, decrease, or eliminate any fee provided for in this section, but no fee provided for in this section shall ever exceed five thousand dollars ($5,000).

SECTION 2775. Arkansas Code § 23-92-408(a)(2)(C)(i), concerning bonding requirements for certain professional employer organizations, is amended to read as follows:

(i) Violate the provisions of this subchapter or violate rules~~, regulations,~~ or orders lawfully promulgated by the commissioner under this subchapter; or

SECTION 2776. Arkansas Code § 23-92-409(j), concerning a licensed professional employer's status as an employer, is amended to read as follows:

(j) A licensed professional employer organization shall be deemed an employer of the covered employees and shall perform the following employer responsibilities in conformity with all applicable federal and state laws, rules, and regulations to:

(1) Pay wages and collect, report, and pay employment taxes from its own accounts;

(2) Pay unemployment taxes as required by the Department of Workforce Services Law, § 11-10-101 et seq.;

(3)(A) Ensure that all covered employees are covered by workers' compensation insurance provided in conformance with the laws of this state.

(B) Workers' compensation coverage may be provided through a policy or plan maintained by either the professional employer organization or the client.

(C) However, for purposes of risks insured under the Arkansas Workers' Compensation Insurance Plan, § 23-67-301 et seq., the commissioner is authorized to promulgate rules ~~and regulations~~ as he or she deems necessary to assure that workers' compensation coverage is available to employees providing services for a client;

(4) Be entitled and to entitle the client, together as joint employers, to the exclusive remedy under § 11-9-105, under both the workers' compensation and employer's liability provisions of a workers' compensation policy or plan that either party has secured within the meaning of § 11-9-105; and

(5)(A) Not be vicariously liable for the liabilities of the client, whether contractual or otherwise.

(B) However, the client shall not be vicariously liable for the liabilities of the professional employer organization, whether contractual or otherwise.

(C) This section shall limit any direct contractual liability or any joint liability between the client and the professional employer organization.

SECTION 2777. Arkansas Code § 23-92-410(b), concerning issuance, refusal, suspension, or revocation of licensure of a professional employer organization, is amended to read as follows:

(b) In addition, the commissioner may refuse to issue a license to any person, may suspend or revoke the license of any professional employer organization, or impose administrative fines as provided for in this subchapter when the commissioner finds:

(1) That the licensee or applicant has violated any of the provisions of this subchapter, the rules ~~and regulations~~ or other orders lawfully promulgated by the commissioner, or the conditions of financial assurances required by this subchapter;

(2) That the licensee or applicant has engaged in a fraudulent, deceptive, or dishonest practice; or

(3) For good and sufficient cause, that the licensee or applicant is unfit to be a professional employer organization within the meaning of this subchapter or of any of the rules ~~and regulations~~ or orders lawfully promulgated by the commissioner.

SECTION 2778. Arkansas Code § 23-92-412(b)(1), concerning penalties for violations of Insurance Commissioner's rules, is amended to read as follows:

(b)(1) Any person who violates any of the provisions under this subchapter or who violates any rules ~~or regulations~~ promulgated by the Insurance Commissioner under this subchapter shall be liable for a civil penalty for each offense of not less than two hundred fifty dollars ($250) nor more than five thousand dollars ($5,000) for each violation.

SECTION 2779. Arkansas Code § 23-92-414(a), concerning rules governing the acceptance of an employer service, is amended to read as follows:

(a) The Insurance Commissioner may provide by rule ~~and regulation~~ for the acceptance of an employer service assurance organization affidavit provided on behalf of a professional employer organization in lieu of the requirements under §§ 23-92-404 — 23-92-406 and 23-92-408 and the fees provided for in § 23-92-407.

SECTION 2780. Arkansas Code § 23-92-419 is amended to read as follows:

23-92-419. Rules ~~and regulations~~.

(a)(1) The Insurance Commissioner may prescribe rules ~~and regulations~~ for the conduct of the business of professional employer organizations needed to implement this subchapter.

(2) The commissioner shall adopt rules ~~and regulations~~ under this subchapter in compliance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

(b)(1) The commissioner may adopt reasonable rules for use by employer service assurance organizations to record and report to the commissioner information determined by the commissioner to be necessary or appropriate for the administration of this subchapter and for the effectuation of its purposes.

(2) The commissioner may designate one (1) or more employer service assurance organizations to assist him or her in gathering, compiling, and reporting the information.

SECTION 2781. Arkansas Code § 23-93-105 is amended to read as follows:

23-93-105. Rules ~~and regulations~~.

The Insurance Commissioner shall have the authority to adopt, amend, or repeal such rules ~~and regulations~~ as are reasonably necessary for the enforcement of the provisions of this subchapter.

SECTION 2782. Arkansas Code § 23-93-108(b)(13), concerning the minimum requirements of a continuing care contract, is amended to read as follows:

(13) State the rules ~~and regulations~~ of the provider then in effect and state the circumstances under which the provider claims to be entitled to have access to the resident's unit;

SECTION 2783. Arkansas Code § 23-93-205(a)(1), concerning violations of law by providers, is amended to read as follows:

(1) Willfully violated any provision of this subchapter, or any ~~regulation~~ rule promulgated under this subchapter;

SECTION 2784. Arkansas Code § 23-94-204(a)(1), concerning organization and licensing of risk retention groups, is amended to read as follows:

(a)(1) To be organized as a risk retention group in this state, the risk retention group must be organized and licensed to write only casualty insurance pursuant to this subchapter and, except as provided elsewhere in this subchapter, must comply with all of the laws, rules, ~~regulations,~~ and requirements applicable to such insurers licensed in this state and with § 23-94-205 to the extent such requirements are not a limitation on laws, rules, ~~regulations,~~ or requirements of this state. The commissioner shall issue a certificate of registration to a risk retention group organized, formed, or domiciled under the laws of this state when the commissioner is satisfied that the applicant group has fully complied with the provisions of this subchapter. No risk retention group organized, formed, or domiciled under the laws of this state shall transact business in this state unless so authorized by a subsisting certificate of registration issued by the commissioner.

SECTION 2785. Arkansas Code § 23-94-209(b), concerning restrictions on insurance purchased by purchasing groups, is amended to read as follows:

(b) A purchasing group which obtains liability insurance from an

insurer not admitted in this state or a risk retention group shall inform each of the members of the group which have a risk resident or located in this state that the risk is not protected by an insurance insolvency guaranty fund in this state, and that the risk retention group or insurer may not be subject to all insurance laws and ~~regulations~~ rules of this state.

SECTION 2786. Arkansas Code § 23-94-215 is amended to read as follows:

23-94-215. Rules ~~and regulations~~.

The commissioner may establish and from time to time amend such rules relating to risk retention groups as may be necessary or desirable to carry out the provisions of this subchapter.

SECTION 2787. Arkansas Code § 23-95-108 is amended to read as follows:

23-95-108. Rules ~~and regulations~~.

The Insurance Commissioner shall have the authority to promulgate rules ~~and regulations~~ necessary to effectuate the purpose of this chapter.

SECTION 2788. Arkansas Code § 23-96-105(a), concerning restrictions on advertisements using the existence of the Arkansas Life and Health Insurance Guaranty Association, is amended to read as follows:

(a) No person, including an insurer, agent, or affiliate of an insurer shall make, publish, disseminate, circulate, or place before the public, or cause, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in any newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over any radio station or television station, or in any other way, any advertisement, announcement, or statement, written or oral, which uses the existence of the Arkansas Life and Health Insurance Guaranty Association for the purpose of sales, solicitation, or inducement to purchase any form of insurance covered by this chapter, except in conformity with the rules ~~and regulations~~ of the Insurance Commissioner. In adopting such rules ~~and regulations~~, the commissioner, in consultation with the Board of Directors of the Arkansas Life and Health Insurance Guaranty Association, shall take into consideration the following factors: the need of the public to have confidence in the financial soundness of insurance products offered for sale in this state, the financial integrity of member insurers doing

business in this state, and the role of the association in serving as a safety net for policy owners, contract owners, insureds, and beneficiaries of impaired insurers or insolvent insurers in this state. Provided, however, that this section shall not apply to the association or any other entity which does not sell or solicit insurance.

SECTION 2789. Arkansas Code § 23-97-303(c), concerning application of other laws to § 23-97-307, is amended to read as follows:

(c) Laws and ~~regulations~~ rules designed and intended to apply to Medicare supplement insurance policies shall not be applied to long-term care insurance.

SECTION 2790. Arkansas Code § 23-97-307(a), concerning the Insurance Commissioner's rulemaking authority for long-term care insurance purposes, is amended to read as follows:

(a) The Insurance Commissioner may adopt ~~regulations~~ rules for long-term care insurance that include, but are not limited to, standards for full and fair disclosure addressing:

(1) The manner, content, and required disclosures for the sale of long-term care insurance policies;

(2) Terms of renewability;

(3) Initial and subsequent conditions of eligibility;

(4) Nonduplication of coverage provisions;

(5) Coverage of dependents;

(6) Preexisting conditions;

(7) Termination of insurance;

(8) Continuation or conversion of coverage;

(9) Probationary periods;

(10) Limitations, exceptions, reductions, and elimination periods;

(11) Requirements for replacement;

(12) Recurrent conditions; and

(13) Definitions of terms.

SECTION 2791. Arkansas Code § 23-97-314(b)(3)(D), concerning requirements of the policy summary for an individual life insurance policy

that provides long-term care benefits, is amended to read as follows:

(D) A statement that any long-term care inflation protection option, if required by rules ~~and regulations~~ of the Insurance Commissioner, is not available under the policy.

SECTION 2792. Arkansas Code § 23-97-320 is amended to read as follows:

23-97-320. Authority to promulgate ~~regulations~~ rules.

The Insurance Commissioner shall issue rules for long-term care insurance to:

(1) Promote premium adequacy;

(2) Protect the policyholder in the event of substantial rate increases; and

(3) Establish minimum standards for:

(A) Marketing practices;

(B) Agent compensation;

(C) Agent testing;

(D) Penalties; and

(E) Reporting practices.

SECTION 2793. Arkansas Code § 23-98-102(9), concerning the definition of "permitted coverages", is amended to read as follows:

(9) “Permitted coverages” means health or hospitalization coverage under a minimum basic benefit policy issued pursuant to this chapter, under Medicaid, Medicare, limited benefit policies as defined by rules ~~and regulations~~ of the commissioner, the Consolidated Omnibus Budget Reconciliation Act of 1985, or the provisions of § 23-86-114, § 23-86-115, or § 23-86-116;

SECTION 2794. Arkansas Code § 23-98-103 is amended to read as follows:

23-98-103. Notices and hearings before adopting ~~regulations~~ rules.

The Insurance Commissioner shall provide notice and conduct hearings in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., before adopting any ~~regulations~~ rules of general applicability to minimum basic benefit policies to be issued pursuant to this chapter.

SECTION 2795. Arkansas Code § 23-98-104 is amended to read as follows:

23-98-104. Formation of trusts of qualified individuals.

Solely for purposes of obtaining minimum basic benefit policies pursuant to the authority granted by this chapter, trusts may be formed composed of qualified individuals, qualified families, or qualified groups. Each trust may serve as a master policyholder. Members of qualified groups and members of such trusts may join together solely for the purpose of obtaining health insurance coverage under the provisions of this chapter. The Insurance Commissioner shall adopt rules ~~and regulations~~ governing the formation and operation of the trust to assure the protection of persons purchasing policies pursuant to this chapter.

SECTION 2796. Arkansas Code § 23-98-105 is amended to read as follows:

23-98-105. Issuance of minimum basic benefit policies permitted — Applicability.

Insurers are authorized to issue minimum basic benefit policies pursuant to and in compliance with the provisions of this chapter to qualified individuals, qualified families, qualified trusts, and qualified groups. This chapter shall apply only to those minimum basic benefit policies issued under this chapter and ~~regulations~~ rules issued by the Insurance Commissioner pursuant to the authority of this chapter. Nothing in this chapter shall be deemed to add to, detract from, or in any manner apply to policies, subscription contracts, benefits, or related activities under any other statutory or regulatory authorities.

SECTION 2797. Arkansas Code § 23-98-106(d), concerning the requirements of a minimum basic benefit policy, is amended to read as follows:

(d)(1) Any minimum basic benefit policy issued pursuant to the provisions of this chapter may be issued without the provision of the benefits or requirements mandated by the following statutes to be included in or offered to be included in accident and health insurance or health maintenance organization policies or subscription contracts or ~~regulations~~ rules issued pursuant to such statutes: §§ 23-79-129, 23-79-130, 23-79-137, 23-79-139 — 23-79-141, § 23-85-131(b), § 23-85-137, § 23-86-108(4), § 23-86-108(7), §§ 23-86-113 — 23-86-116, and 23-86-118.

(2) However, nothing in this chapter shall:

(A) Reduce any professional scope of practice as defined in the licensure law for any healthcare provider;

(B) Authorize any discrimination not permitted under Arkansas law in payment or reimbursement for services; or

(C) Be construed to repeal or eliminate the application of the Arkansas freedom of choice legislation, § 23-79-114, or coordination of benefit statutes or ~~regulations~~ rules to policies issued pursuant to this chapter.

SECTION 2798. Arkansas Code § 23-98-110(b), concerning the form of filings for minimum basic benefit policies, is amended to read as follows:

(b) Minimum basic benefit policies are subject to the filing and approval statutes~~,~~ and rules~~, and regulations~~ of the state. No rate shall be considered reasonable nor shall it be approved unless:

(1) It is based upon a pool, community rating, or other rating formula acceptable to the commissioner; and

(2)(A) As to individual policies and policies issued to qualified trusts, it is likely to produce a loss ratio, as certified by a qualified actuary, which is acceptable to the commissioner, but in no event shall such a loss ratio be less than sixty-five percent (65%).

(B) However, the commissioner may set a minimum loss ratio for group policies issued pursuant to this chapter if the commissioner determines that inequitable or unfair treatment of policyholders would otherwise result.

SECTION 2799. Arkansas Code § 23-99-203(c), concerning the definition of "health benefit plan", is amended to read as follows:

(c) “Health benefit plan” means any entity or program that provides reimbursement, including capitation, for healthcare services, except and excluding any entity or program that provides reimbursement and benefits pursuant to Arkansas Constitution, Amendment 26, Acts 1993, No. 796, or the Public Employee Workers’ Compensation Act, § 21-5-601 et seq., and rules~~, regulations,~~ and schedules adopted thereunder.

SECTION 2800. Arkansas Code § 23-99-204(a)(3), concerning terms of a health benefit plan, is amended to read as follows:

(3) Prohibit or limit a healthcare provider that is qualified under § 23-99-203(d) and is willing to accept the health benefit plan's operating terms and conditions, schedule of fees, covered expenses, and utilization ~~regulations~~ rules and quality standards, from the opportunity to participate in that health benefit plan.

SECTION 2801. Arkansas Code § 23-99-206 is amended to read as follows:

23-99-206. Violations.

It is a violation of this subchapter for any healthcare insurer or other person or entity to provide any health benefit plan providing for healthcare services to residents of this state that does not conform to this subchapter, but nothing in this subchapter shall constitute a violation on the basis of actions taken by the health benefit plan to maintain quality, enforce utilization ~~regulations~~ rules, and to control costs.

SECTION 2802. Arkansas Code § 23-99-414 is amended to read as follows:

23-99-414. ~~Regulations~~ Rules.

The Insurance Commissioner may promulgate necessary rules ~~and regulations~~ for carrying out this subchapter.

SECTION 2803. Arkansas Code § 23-99-510 is amended to read as follows:

23-99-510. Rules ~~and regulations~~.

The Insurance Commissioner shall enforce this subchapter and shall promulgate necessary rules ~~and regulations~~ for carrying out this subchapter.

SECTION 2804. Arkansas Code § 23-99-605 is amended to read as follows:

23-99-605. Rules ~~and regulations~~.

Within one hundred twenty (120) days of July 30, 1999, the Insurance Commissioner shall promulgate necessary rules ~~and regulations~~ for carrying out this subchapter, giving maximum possible effect to the General Assembly's intent to promote quality medical care through increased choice.

SECTION 2805. Arkansas Code § 23-99-703(c), concerning heath carrier systems for resolution of grievances, is amended to read as follows:

(c) In consultation with the Insurance Commissioner, the director may promulgate rules ~~and regulations~~ in accordance with the Arkansas

Administrative Procedure Act, § 25-15-201 et seq., to carry out the provisions of this subchapter to enable the state to be properly informed of quality issues within the state and to adequately respond to any quality concerns expressed through grievances.

SECTION 2806. Arkansas Code § 23-99-704(b), concerning health carrier and network quality assessments and improvement systems, is amended to read as follows:

(b) In consultation with the Insurance Commissioner, the director may promulgate rules ~~and regulations~~ in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., to carry out the provisions of this subchapter to enable the state to be properly informed of quality issues within the state and to adequately respond to any quality concerns found through the outcome data.

SECTION 2807. Arkansas Code § 23-99-802(4)(DD), concerning the definition of "healthcare provider" or "provider", is amended to read as follows:

(DD) Other healthcare practitioners as determined by the department in ~~regulations~~ rules promulgated under the Arkansas Administrative Procedure Act, § 25-15-201 et seq.;

SECTION 2808. Arkansas Code § 23-100-106 is amended to read as follows:

23-100-106. Rules ~~and regulations~~.

The Insurance Commissioner may promulgate reasonable rules ~~and regulations~~ deemed necessary for the administration of this chapter.

SECTION 2809. Arkansas Code § 23-101-108(b), concerning filing, approval, and withdrawal of forms and rates, is amended to read as follows:

(b) The commissioner shall within thirty (30) days after the filing of the policy forms and certificates of insurance disapprove a form that does not conform to this chapter or to other applicable provisions of the insurance statutes and ~~regulations~~ rules and shall within thirty (30) days of filing disapprove a schedule of premium rates pertaining to the form if it does not conform to the standard set forth in subsection (e) of this section.

SECTION 2810. Arkansas Code § 23-101-112(c), concerning rebates to the creditor by an insurer or producer, is amended to read as follows:

(c) Unless allowed by § 23-64-513, rebates to the creditor of a portion of the premium charged to the debtor are prohibited as are other inducements provided to the creditor by an insurer or producer. The listing of the following activities as prohibited rebates or inducements is not intended to be restrictive, and the Insurance Commissioner may identify an activity as prohibited by rule~~, regulation,~~ or order:

(1) Allowing insurers or producers to purchase certificates of deposit from the creditor or to maintain accounts with the creditor at less than the market interest rates and charges that the creditor applies to other customers for deposit accounts of similar amounts and duration;

(2) Paying a commission to a person, including a creditor, who is not appropriately licensed as a producer in this state; and

(3) Purchasing or offering to purchase certificates of deposit from, or maintaining or offering to maintain deposit accounts or investment accounts with, a creditor as part of a creditor-placed insurance solicitation.

SECTION 2811. Arkansas Code § 23-101-114 is amended to read as follows:

23-101-114. Rules ~~and regulations~~.

After notice and hearing, the Insurance Commissioner may promulgate reasonable rules ~~and regulations~~ to carry out and effectuate the provisions of this chapter.

SECTION 2812. Arkansas Code § 23-102-109(c), concerning the Insurance Commissioner's rulemaking authority regarding the Market Assistance Program, is amended to read as follows:

(c) By rule ~~and regulation~~, the commissioner may restructure the program criteria set forth in subsection (b) of this section or any other component of the program if the commissioner finds that the program is not substantially accomplishing its objective of assisting residential insureds in procuring earthquake coverage in the voluntary market and that the restructuring will be in the best interests of Arkansas citizens.

SECTION 2813. Arkansas Code § 23-102-116 is amended to read as follows:

23-102-116. Rules ~~and regulations~~.

The Insurance Commissioner is authorized to promulgate such reasonable rules ~~and regulations~~ as are necessary to carry out the provisions of this chapter.

SECTION 2814. Arkansas Code § 23-110-202(b)(2), concerning the duties of the Secretary of the Arkansas Racing Commission, is amended to read as follows:

(2) The secretary shall be the commission's executive officer and shall administer the provisions of this chapter and the rules~~,~~ ~~regulations,~~ and orders established under this chapter.

SECTION 2815. Arkansas Code § 23-110-405(b)(3)(B), concerning the penalties for improper wagering, is amended to read as follows:

(B) The difference between the two percent (2%) rate being withheld and so paid by the franchise holder to the State of Arkansas on wagers on the races described in subdivision (b)(3)(A) of this section under rules ~~and regulations~~ of the commission in effect prior to the enactment of this subdivision (b)(3) and the one percent (1%) rate established in subdivision (b)(3)(A) of this section shall be withheld by the franchise holder from wagers on such races and set aside by the franchise holder in a separate account to be used only for purses and construction, for debt service on money borrowed by the franchise holder for construction, or for promotions to encourage patronage and tourism, in accordance with the provisions of § 23-110-407(a)(3).

SECTION 2816. Arkansas Code § 23-110-407(a)(3)(A)(iii)(a), concerning the disposition of wagering money, is amended to read as follows:

(iii)(a) The commission shall have jurisdiction and shall seek the assistance of the Department of Finance and Administration to check and verify compliance by the franchise holder with the provisions of this subdivision (a)(3). The commission shall make periodic determinations as to compliance under such rules ~~and regulations~~ as the commission shall adopt.

SECTION 2817. Arkansas Code § 23-110-409(b)(3), concerning the Arkansas Racing Commission Purse and Awards Fund, is amended to read as follows:

(3) Registered Arkansas-bred thoroughbred horses, registered Arkansas thoroughbred broodmare, registered Arkansas thoroughbred stallion, foal registration, broodmare registration and stallion registration, eligibility to participate in the Arkansas Racing Commission Purse and Awards Fund, and eligibility to participate in races that are restricted to registered Arkansas-bred thoroughbred horses shall be determined and made in accordance with registration rules ~~and regulations~~, including reasonable time deadlines and fee schedules, adopted by the Arkansas Thoroughbred Breeders and Horsemen's Association and approved by the commission.

SECTION 2818. Arkansas Code § 23-110-413(c), concerning the Arkansas Racing Commission's authority to investigate violations of its rules, is amended to read as follows:

(c) The commission may also at any time investigate and ascertain whether or not any of the provisions of this chapter or the rules ~~and regulations~~ of the commission are being violated at the race track or enclosure.

SECTION 2819. Arkansas Code § 23-111-204 is amended to read as follows:

23-111-204. Regulatory authority — Limitations.

(a) The Arkansas Racing Commission shall have full, complete, and sole power and authority to promulgate rules~~, regulations,~~ and orders and prescribe conditions under which greyhound racing shall be conducted by a franchise holder, but the power and authority so granted shall be exercised by the commission in a reasonable manner. The holder of any franchise, or any taxpayer, shall have redress to the Pulaski County Circuit Court for any wrong committed by the commission in the exercise of the power and authority granted pursuant to this section.

(b)(1) The commission shall have no right or power to determine who shall be officers or employees of any franchise holder.

(2) However, the commission may by rule require that all

officers and employees, or agents, of the franchise holder who are in charge of, or whose duties relate directly to, the running of races, and the handling of any funds which may be wagered on any race, be approved by the commission.

(3) The commission may compel the discharge of any official, employee, or agent of the franchise holder who fails or refuses to comply with the rules~~, regulations,~~ or orders of the commission or who, in the opinion of the commission, is guilty of fraud or dishonesty.

SECTION 2820. Arkansas Code § 23-111-502(a)(2), concerning rules of the Arkansas Racing Commission concerning racing days and hours, is amended to read as follows:

(2) The commission's rules ~~and regulations~~ shall be in the best interests of the dog racing franchisee, kennel owners, and greyhound racing in the State of Arkansas.

SECTION 2821. Arkansas Code § 23-111-503(d), concerning rulemaking authority of the Arkansas Racing Commission regarding audits and verification of receipts and expenditures of certain franchise holders, is amended to read as follows:

(d) The commission shall establish appropriate rules ~~and regulations~~ to assure compliance with the provisions of this section and shall audit and verify all receipts and expenditures of the franchise holder in determining compliance with this section.

SECTION 2822. Arkansas Code § 23-111-508(d)(3), concerning the Arkansas Racing Commission's rulemaking authority regarding wagering on greyhound racing meets, is amended to read as follows:

(3) In addition to the pari-mutuel or certificate system of wagering as authorized by this chapter, the commission is authorized and directed to establish and adopt rules ~~and regulations~~ permitting the conduct of pari-mutuel or certificate system of wagering upon racing, either horse or greyhound, shown live or in any other manner approved by the commission by television or otherwise to or from the premises of the franchise holder.

SECTION 2823. Arkansas Code § 23-111-512(c), concerning the Arkansas

Racing Commission's authority to investigate potential violations of its rules, is amended to read as follows:

(c) The commission may also at any time investigate and ascertain whether or not any of the provisions of this chapter or the rules ~~and regulations~~ of the commission are being violated at the race track or enclosure.

SECTION 2824. Arkansas Code § 23-111-515(c), concerning the Arkansas Racing Commission's rulemaking power to effectuate additional racing days for the benefit of small municipalities and community colleges, is amended to read as follows:

(c) The commission shall establish appropriate rules ~~and regulations~~ to assure compliance with the provisions of this section and shall audit and verify all receipts and expenditures of the franchise holder in determining compliance with this section.

SECTION 2825. Arkansas Code § 23-112-103(30)(B), concerning the definition of "specialty vehicle", is amended to read as follows:

(B) "Specialty vehicle" includes garbage trucks, ambulances, fire trucks, limousines, hearses, and other similar limited-purpose vehicles as the commission may by ~~regulation~~ rule provide;

SECTION 2826. Arkansas Code § 23-112-104(a), concerning enforcement authority for injunctive relief of the Arkansas Motor Vehicle Commission, is amended to read as follows:

(a) The Arkansas Motor Vehicle Commission shall be entitled to seek an injunction upon affidavit in the circuit court for the county in which the commission's office is located to prevent any person, firm, partnership, association, corporation, or legal entity from violating any provision of this chapter or any rule ~~or regulation~~ promulgated by the commission.

SECTION 2827. Arkansas Code § 23-112-105(a), concerning civil damages for certain violations of Arkansas Motor Vehicle Commission rules, is amended to read as follows:

(a) A licensee suffering pecuniary loss because of any willful failure by any other licensee to comply with this chapter, other than a new

automobile or truck dealer's failure to comply with § 23-112-301(d)(1) and (2) or with any rule ~~or regulation~~ promulgated by the Arkansas Motor Vehicle Commission under authority vested in it by this chapter, may recover reasonable damages and attorney's fees therefor in any court of competent jurisdiction.

SECTION 2828. Arkansas Code § 23-112-106(a), concerning enforcement authority of the Arkansas Motor Vehicle Commission, is amended to read as follows:

(a) The Arkansas Motor Vehicle Commission may enter orders that direct and command compliance with this chapter and ~~regulations~~ rules under this chapter if any of the following conditions have been met:

(1) The commission has conducted a hearing within sixty (60) days on the matter;

(2) The commission has made written findings that the public interest and welfare require the person or entity against whom the commission is acting to take the specified action; or

(3) The commission finds that the current civil or administrative penalties are insufficient.

SECTION 2829. Arkansas Code § 23-112-204 is amended to read as follows:

23-112-204. Rules ~~and regulations~~.

The Arkansas Motor Vehicle Commission shall have power to prescribe, issue, amend, and rescind, pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq., such reasonable rules ~~and regulations~~ as may be reasonably necessary or appropriate to carry out the provisions of this chapter.

SECTION 2830. Arkansas Code § 23-112-308(a)(4), concerning the Arkansas Motor Vehicle Commission's authority to deny, revoke, or suspend a license, is amended to read as follows:

(4) For failure to comply with any provision of this chapter or with any rule ~~or regulation~~ promulgated by the commission under authority vested in it by this chapter;

SECTION 2831. Arkansas Code § 23-112-308(a)(6), concerning the Arkansas Motor Vehicle Commission's authority to deny, revoke, or suspend a license, is amended to read as follows:

(6) Continued violation of any of the provisions of this chapter or of any of the rules ~~or regulations~~ of the commission;

SECTION 2832. Arkansas Code § 23-112-309(a)(1), concerning monetary penalties allowed in lieu of suspension or revocation of license in certain circumstances, is amended to read as follows:

(a)(1) If after alternative proceedings or notice and hearing the Arkansas Motor Vehicle Commission finds that any person holding a license under this chapter is guilty of any violation of this chapter or ~~regulations~~ rules promulgated under this chapter, it shall have the power and authority to impose a monetary penalty upon the licensee in lieu of suspension or revocation of license.

SECTION 2833. Arkansas Code § 23-112-314(b), concerning civil penalty violations of rules of the Arkansas Motor Vehicle Commission, is amended to read as follows:

(b) Each day of violation of this chapter or of a ~~regulation~~ rule shall constitute a separate violation subjecting the person to a separate civil penalty.

SECTION 2834. Arkansas Code § 23-112-316(f), concerning delivery of a new motor vehicle prior to sale, is amended to read as follows:

(f) The Arkansas Motor Vehicle Commission shall promulgate rules ~~and regulations~~ to implement, enforce, and administer this section.

SECTION 2835. Arkansas Code § 23-112-613(f), concerning the rulemaking authority of the Department of Arkansas State Police to ensure delivery prior to sale, is amended to read as follows:

(f) The Department of Arkansas State Police shall promulgate rules ~~and regulations~~ to implement, enforce, and administer this section.

SECTION 2836. Arkansas Code § 23-113-201(e), concerning rulemaking authority of the Arkansas Racing Commission concerning electronic games of

skill, is amended to read as follows:

(e) For each electronic game of skill, the commission shall provide by appropriate rule ~~or regulation~~ the specifications for establishing that patrons, in the aggregate, exercising some degree of skill or judgment, over the expected lifetime of the electronic game of skill, will obtain a payout of at least eighty-three percent (83%) of the aggregate amounts wagered on the electronic game of skill.

SECTION 2837. Arkansas Code § 23-113-302(b), concerning powers and duties of the Arkansas Racing Commission as it pertains to electronic games of skill, is amended to read as follows:

(b) The commission may promulgate, revise, amend, and repeal rules~~,~~ ~~regulations,~~ and orders, consistent with the policy, objects, and purposes of this chapter, as it reasonably deems necessary or desirable in the public interest in carrying out the provisions of this chapter.

SECTION 2838. Arkansas Code § 23-113-401(c), concerning payment of a percentage of net wagering revenues from certain electronic games of skill to the Arkansas Racing Commission, is amended to read as follows:

(c) With respect to a franchise holder operating a franchise to conduct greyhound racing, an amount equal to one percent (1%) of the net wagering revenues from electronic games of skill conducted by the greyhound racing franchise holder shall be paid by the franchise holder to the commission to be used for breeders' awards as provided in the commission's rules ~~and regulations~~ governing greyhound racing in Arkansas in order to promote and encourage greyhound breeding activities in Arkansas.

SECTION 2839. Arkansas Code § 23-113-401(e), concerning jurisdiction of the Arkansas Racing Commission to verify compliance with its rules, is amended to read as follows:

(e) The commission shall have jurisdiction to check and verify compliance by the franchise holder with the provisions of this section and shall make periodic determinations as to compliance under rules ~~and regulations~~ adopted by the commission.

SECTION 2840. Arkansas Code § 23-113-601 is amended to read as

follows:

23-113-601. Duty to maintain records.

A franchise holder operating electronic games of skill and conducting wagering thereon under this chapter shall keep a complete set of books and records as necessary to show fully the activities and transactions of the franchise holder with respect to the operations and wagering conducted in accordance with this chapter, and the Arkansas Racing Commission shall have reasonable access to the books and records in order to verify compliance with the provisions of this chapter and the rules ~~and regulations~~ of the commission.

SECTION 2841. Arkansas Code § 24-1-203 is amended to read as follows:

24-1-203. Rules ~~and regulations~~.

The Arkansas Public Employees' Retirement System shall make and publish rules ~~and regulations~~ not inconsistent with the provisions of this subchapter it finds necessary or appropriate to the efficient administration of the functions with which it is charged under this subchapter.

SECTION 2842. Arkansas Code § 24-1-205, concerning the retirement system plans, is amended to read as follows:

Each political subdivision of the state is authorized to submit for approval by the Arkansas Public Employees' Retirement System a plan for extending the benefits of Title II of the Social Security Act, 42 U.S.C. § 301 et seq., in conformity with the applicable provisions of that act, to employees of the political subdivisions. Each plan, and any amendment to it, shall be approved by the system if it finds that the plan, or plan as amended, is in conformity with such requirements as are provided in ~~regulations~~ rules of the system, except that no plan shall be approved unless:

SECTION 2843. Arkansas Code § 24-1-208(a)(1), concerning contributions of employees of political subdivisions to the Arkansas Public Employees' Retirement System, is amended to read as follows:

(a)(1) Each political subdivision as to which a plan has been approved under § 24-1-205, with respect to wages as defined in § 24-1-202 and at such time or times as the Arkansas Public Employees' Retirement System may by

~~regulation~~ rule prescribe, shall pay contributions in the amounts and at the rates specified in the applicable Section 218 agreement entered into by the system under § 24-1-204.

SECTION 2844. Arkansas Code § 24-2-402(1)(C), concerning deferred annuity eligibility under reciprocal retirement systems, is amended to read as follows:

(C) The provisions for determining a year of service credit shall be the prevailing ~~regulations~~ rules of each reciprocal system;

SECTION 2845. Arkansas Code § 24-2-402(8)(B), concerning deferred annuity eligibility under reciprocal retirement systems, is amended to read as follows:

(B) The boards of trustees of each preceding or succeeding system shall promulgate such rules ~~and regulations~~ as are necessary to coordinate their benefits with any system providing a deferred retirement option plan; and

SECTION 2846. Arkansas Code § 24-2-405(b), concerning disability benefits under the Arkansas Public Employees' Retirement System, is amended to read as follows:

(b) Each reciprocal system shall make the determination under its respective rules ~~and regulations~~ as to whether the member is eligible for disability benefits.

SECTION 2847. Arkansas Code § 24-2-702(b)(3), concerning reports of the Arkansas Public Employees' Retirement System, is amended to read as follows:

(3) All contracts for audits shall be in compliance with the state's fiscal laws and ~~regulations~~ rules.

SECTION 2848. Arkansas Code § 24-4-105(a)(2), concerning the powers and duties of the Board of Trustees of the Arkansas Public Employees' Retirement System, is amended to read as follows:

(2) Special meetings may be held in accordance with such rules ~~and regulations~~ as the board shall adopt from time to time.

SECTION 2849. Arkansas Code § 24-4-105(b)(1), concerning the powers and duties of the Board of Trustees of the Arkansas Public Employees' Retirement System, is amended to read as follows:

(1) Make all rules ~~and regulations~~ as it shall deem necessary from time to time in the transaction of its business and in administering the Arkansas Public Employees' Retirement System;

SECTION 2850. Arkansas Code § 24-4-106(a)(1)(B), concerning contributions by public employers to a single state-authorized retirement plan, is amended to read as follows:

(B) The Board of Trustees of the Arkansas Public Employees' Retirement System shall promulgate such rules ~~and regulations~~ as are required to prohibit the establishment of such plans in the future.

SECTION 2851. Arkansas Code § 24-4-106(b), concerning contributions by public employers to a single state-authorized retirement plan, is amended to read as follows:

(b) The system shall notify all participating employers on an annual basis of the requirements of this section and the board rules ~~and regulations~~ governing this subject.

SECTION 2852. Arkansas Code § 24-4-108(b)(1), concerning the implementation of a contributory component, is amended to read as follows:

(b)(1) In accordance with the rules ~~and regulations~~ of the board, there shall be an annual review of the actuarial valuation of the plan as provided by its actuary.

SECTION 2853. The introductory language of Arkansas Code § 24-4-108(c)(2), concerning the implementation of a contributory component, is amended to read as follows:

(2) The board shall develop policies and ~~regulations~~ rules from its annual review of the contributory component of the system and, as a minimum, the board's ~~regulations~~ rules shall provide for:

SECTION 2854. Arkansas Code § 24-4-202(e)(1), concerning contributions

to the Arkansas Public Employees' Retirement System Fund, is amended to read as follows:

(e)(1) If any participating public employer fails to remit to the Arkansas Public Employees' Retirement System those moneys which are required by law or ~~regulation~~ rule by the date and at the frequency established by the board, the system shall impose a penalty equal to the actuarially assumed rate of return on investments of the Arkansas Public Employees' Retirement System Fund in the form of interest on an annual basis on the moneys due.

SECTION 2855. Arkansas Code § 24-4-507(a)(1), concerning credited service to determine eligibility for benefits, is amended to read as follows:

(a)(1) The Board of Trustees of the Arkansas Public Employees' Retirement System shall determine, by appropriate rules ~~and regulations~~ consistent with the provisions of this chapter, the amount of service to be credited any member for any fiscal year.

SECTION 2856. Arkansas Code § 24-4-508(d), concerning eligibility for retirement benefits, is amended to read as follows:

(d) A member's retirement election is irrevocable except under circumstances as may be permitted by the board by ~~regulation~~ rule.

SECTION 2857. Arkansas Code § 24-4-517(b)(4), concerning state service under a federal grant, is amended to read as follows:

(4) Has otherwise complied with all other rules ~~and regulations~~ as the Board of Trustees of the Arkansas Public Employees' Retirement System may from time to time adopt under this section.

SECTION 2858. Arkansas Code § 24-4-603(e), concerning the refund of retirement contributions, is amended to read as follows:

(e) Refunds of a member's contributions or accumulated contributions, as the case may be, may be made in equal installments according to such rules ~~and regulations~~ as the board may adopt from time to time.

SECTION 2859. Arkansas Code § 24-4-615(b), concerning maximum retirement benefit limitation, is amended to read as follows:

(b)(1) The Board of Trustees of the Arkansas Public Employees'

Retirement System is hereby empowered and authorized to promulgate all necessary rules ~~and regulations~~ to implement the limitations of the Internal Revenue Code, 26 U.S.C. § 415.

(2) The rules ~~and regulations~~ adopted by the board pursuant to this section shall be amended to reflect any changes in the content or application of the Internal Revenue Code, 26 U.S.C. § 415.

SECTION 2860. Arkansas Code § 24-4-620(c), concerning a partial annuity withdrawal provision, is amended to read as follows:

(c) A member electing to participate shall have his or her lifetime annuity reduced by an actuarially determined equivalent in accordance with rules ~~and regulations~~ adopted by the Board of Trustees of the Arkansas Public Employees' Retirement System.

SECTION 2861. Arkansas Code § 24-4-726(d), concerning state penitentiary employees, is amended to read as follows:

(d) The Board of Trustees of the Arkansas Public Employees' Retirement System is directed to make such rules ~~and regulations~~ as, in its opinion, will effect an orderly transfer of membership and service credits as provided in this section.

SECTION 2862. Arkansas Code § 24-4-746 is amended to read as follows:

24-4-746. Authority to promulgate rules.

The Board of Trustees of the Arkansas Public Employees' Retirement System shall have the authority to promulgate such rules ~~and regulations~~ as are necessary to provide for the participation of employers defined as public rehabilitative services corporations or other local units of government under the provisions of § 4-34-101 and such local units of government as are provided for under this Code. Provided, however, the board shall not admit or retain any employer whose participation in the Arkansas Public Employees' Retirement System would jeopardize the tax-qualified status of the plan under the Internal Revenue Code, 26 U.S.C. § 1 et seq., or that would subject the plan to additional federal requirements, or to any other consequence that the board would determine to be detrimental to the system.

SECTION 2863. Arkansas Code § 24-4-748(c), concerning dual full-time

employment and retirement eligibility, is amended to read as follows:

(c) The Board of Trustees of the Arkansas Public Employees' Retirement System shall have the authority to promulgate any necessary forms for application to restore the service and reasonable rules ~~and regulations~~ to implement this section.

SECTION 2864. Arkansas Code § 24-4-801(c), concerning participation in the Arkansas Public Employees' Retirement System Deferred Retirement Option Plan, is amended to read as follows:

(c) The Board of Trustees of the Arkansas Public Employees' Retirement System, in consultation with its actuary, may promulgate rules ~~and regulations~~ lowering the required years of service for entry into the plan to an amount of not less than twenty-eight (28) years of service, subject to an early participation reduction. The reduction will be computed in a manner that is both equitable to all members and actuarially appropriate for the system.

SECTION 2865. Arkansas Code § 24-4-803(b) concerning the amount of benefit and the amount of contribution to the Arkansas Public Employees' Retirement System Deferred Retirement Option Plan, is amended to read as follows:

(b) The member's deferred option account shall be the account in which shall be accumulated the member's deferred option contributions, plus interest. Effective July 1, 1999, the Arkansas Public Employees' Retirement System's deferred option contributions shall be at least seventy-five percent (75%) of the system's deferred option benefit with the exact contribution to be determined in accordance with the rules ~~and regulations~~ of the board as is actuarially appropriate for the system. The member shall be informed of the amount of his or her deferred option contribution and informed that his or her selection of the deferred retirement option, the time of the retirement deferral, and the selection of the retirement annuity are irrevocable.

SECTION 2866. Arkansas Code § 24-5-104(d)(1), concerning the Board of Trustees of the Arkansas State Highway Employees' Retirement System, is amended to read as follows:

(1) To make all rules ~~and regulations~~ necessary and proper for

carrying out the provisions of this chapter;

SECTION 2867. Arkansas Code § 24-5-112(c), concerning eligibility for benefits under the Arkansas State Highway Employees' Retirement System, is amended to read as follows:

(c) The Board of Trustees of the Arkansas State Highway Employees' Retirement System, by ~~regulation~~ rule, may reduce the amount of creditable service required to retire voluntarily regardless of age from thirty (30) years of creditable service to an amount of no less than twenty-eight (28) years of creditable service, if the board determines that the change is fair and just to the members of the system and that it is actuarially appropriate.

SECTION 2868. Arkansas Code § 24-5-201 is amended to read as follows:

24-5-201. Establishment.

(a) The Board of Trustees of the Arkansas State Highway Employees' Retirement System may establish a deferred retirement option plan for its members so that, in lieu of terminating employment, they might continue with employment and accept a service retirement benefit pursuant to § 24-5-101 et seq. The board shall be authorized to promulgate rules ~~and regulations~~ for a plan to provide this deferred retirement option to its members as is appropriate to maintain a goal of zero (0) cost to the system.

(b) The board shall be authorized to promulgate rules ~~and regulations~~ for a plan to provide this deferred retirement option to its members as is appropriate to maintain a goal of zero (0) cost to the system.

SECTION 2869. Arkansas Code § 24-5-204 is amended to read as follows:

24-5-204. Rules ~~and regulations~~ — Applicability.

(a) The Board of Trustees of the Arkansas State Highway Employees' Retirement System, in consultation with its actuary, may promulgate rules ~~and regulations~~ to lower the required years of service for entry into the Arkansas State Highway Employees' Deferred Retirement Option Plan authorized by this subchapter, subject to any early participation reduction. The reduction will be computed in a manner that is both equitable and actuarially appropriate for the system.

(b) This section shall apply only to entry into the plan by a person who has twenty-eight (28) or twenty-nine (29) years of creditable service and

whose eligibility for retirement is based on ~~regulations~~ rules adopted pursuant to § 24-5-112(c).

SECTION 2870. Arkansas Code § 24-6-101(b)(1), concerning the Arkansas State Police Commission system for payment of disability and retirement benefits and medical fees, is amended to read as follows:

(1) Promulgate and enforce all rules ~~and regulations~~ necessary to create and administer a system of paying medical and hospitalization fees, disability benefits, pensions, and retirement pay to members of the department;

SECTION 2871. Arkansas Code § 24-6-204(f)(1), concerning the Board of Trustees of the State Police Retirement System, is amended to read as follows:

(1) Make all rules ~~and regulations~~ from time to time as it shall deem necessary in the transaction of its business and in administering the State Police Retirement System;

SECTION 2872. Arkansas Code § 24-6-210(b)(1), concerning credited service in the State Police Retirement System, is amended to read as follows:

(b)(1) The board shall determine by appropriate rules ~~and regulations~~ the amount of service to be credited any member.

SECTION 2873. Arkansas Code § 24-6-210(c)(3)(B), concerning credited service in the State Police Retirement System, is amended to read as follows:

(B) Repayment shall be made according to such rules ~~and regulations~~ as the board shall adopt from time to time.

SECTION 2874. Arkansas Code § 24-6-216(d)(3), concerning a survivor's pension upon the death of a retirant, is amended to read as follows:

(3) The board is authorized to establish through rules ~~and regulations~~ a means of verification of enrollment in a secondary school or postsecondary institution of higher education by a surviving dependent child under this section for purposes of pension benefits.

SECTION 2875. Arkansas Code § 24-6-217(e)(3), concerning a survivor's

pension upon the death of a member, is amended to read as follows:

(3) The board is authorized to establish through rules ~~and regulations~~ a means of verification of enrollment in a secondary school or postsecondary institution of higher education by a surviving dependent child under this section for purposes of pension benefits.

SECTION 2876. Arkansas Code § 24-6-218(a)(1), concerning a survivor's benefits upon the death of an officer killed in the line of duty while not a member of the system, is amended to read as follows:

(a)(1) In the event any uniformed employee of the Department of Arkansas State Police is killed while in the performance of his or her duties, yet the surviving spouse and surviving children of the uniformed employee of the department are deprived of receiving benefits as prescribed in § 24-6-217 because the uniformed employee was not a member of the system at the time of his or her death, or had not completed any probationary period of service required by ~~regulations~~ rules of the Arkansas State Police Commission, or had not obtained sufficient service for benefits, the surviving spouse may make application to the Board of Trustees of the State Police Retirement System.

SECTION 2877. Arkansas Code § 24-6-218(e)(2), concerning a survivor's benefits upon the death of an officer killed in the line of duty while not a member of the system, is amended to read as follows:

(2) The board is hereby authorized to establish through rules ~~and regulations~~ a means of verification of enrollment in an institution of higher education by a surviving child under this section for purposes of continuation of pension benefits.

SECTION 2878. Arkansas Code § 24-6-222(d), concerning refunds of contributions from the State Police Retirement System, is amended to read as follows:

(d) Refunds of a member's contributions or accumulated contributions, as the case may be, may be made in equal installments according to such rules ~~and regulations~~ as the board may adopt from time to time.

SECTION 2879. Arkansas Code § 24-6-412(c), concerning refunds of

contributions from the State Police Retirement System, is amended to read as follows:

(c) Refunds of a member's contributions or accumulated contributions, as the case may be, may be made in equal installments according to the rules ~~and regulations~~ that the board may adopt from time to time.

SECTION 2880. Arkansas Code § 24-6-414(b), concerning maximum benefit limits under the State Police Retirement System, is amended to read as follows:

(b)(1) The Board of Trustees of the State Police Retirement System is hereby empowered and authorized to promulgate all necessary rules ~~and regulations~~ to implement the limitations of the Internal Revenue Code, 26 U.S.C. § 415.

(2) The rules ~~and regulations~~ adopted by the board pursuant to this section shall be amended to reflect any changes in the content or application of the Internal Revenue Code, 26 U.S.C. § 415 enacted by Congress or promulgated by the Internal Revenue Service.

SECTION 2881. Arkansas Code § 24-7-103 is amended to read as follows:

24-7-103. Payment of employer contribution rate.

Local school districts shall pay the teacher retirement employer contribution rate for any eligible employee in accordance with rules ~~and regulations~~ established by the Board of Trustees of the Arkansas Teacher Retirement System.

SECTION 2882. Arkansas Code § 24-7-202(17)(D)(iii)(a), concerning the definition of "employment with a school" under the Arkansas Teacher Retirement System Act, is amended to read as follows:

(a) Approved according to rules ~~and regulations~~ established by the board;

SECTION 2883. Arkansas Code § 24-7-202(18)(A)(i), concerning the definition of "final average salary" under the Arkansas Teacher Retirement System Act, is amended to read as follows:

(18)(A)(i) "Final average salary" means the average of the remuneration paid to a member by a participating employer during the fiscal

year ending June 30 of not less than three (3) years nor more than five (5) years of credited service producing the highest annual average determined in accordance with the rules ~~and regulations~~ of the board as is actuarially appropriate for the Arkansas Teacher Retirement System.

SECTION 2884. Arkansas Code § 24-7-207 is amended to read as follows:

24-7-207. Increase in benefit amount.

(a) The Board of Trustees of the Arkansas Teacher Retirement System is authorized by this act to raise the level of benefits to the current retirants and other beneficiaries of the Arkansas Teacher Retirement System to a comparable level increase to match the increase in benefits that would accrue to active members as a result of any reduction of the calculation of "final average salary" to not less than a three-year period nor more than the five-year period in accordance with any rules ~~and regulations~~ the board might promulgate.

(b) The amount of any increase for retirants and other beneficiaries shall also be determined in accordance with the rules ~~and regulations~~ of the board as is actuarially appropriate for the system.

SECTION 2885. Arkansas Code § 24-7-210(b) and (c), concerning the Arkansas Teacher Retirement System and federal taxation, are amended to read as follows:

(b) Notwithstanding any language to the contrary set forth in this chapter, the Board of Trustees of the Arkansas Teacher Retirement System shall have the authority to promulgate rules ~~and regulations~~ consistent with these directions.

(c) Any ~~regulation~~ rule promulgated under this section that is found to be in conflict with an applicable provision of the code is null and void.

SECTION 2886. Arkansas Code § 24-7-411(a)(1), concerning compelling payment upon the delinquency of an employer to submit contributions to the Arkansas Teacher Retirement System, is amended to read as follows:

(a)(1) If any participating employer fails to remit to the Arkansas Teacher Retirement System contributions that are required by law, rule, or regulation by the fifteenth day of the month in which the moneys are due, then the system shall impose an interest penalty of eight percent (8%) per

annum with a daily interest accrual.

SECTION 2887. Arkansas Code § 24-7-603(c)(5), concerning out-of-state service under the Arkansas Teacher Retirement System Act, is amended to read as follows:

(5) Such other rules ~~and regulations~~ consistent with this subchapter as the Board of Trustees of the Arkansas Teacher Retirement System may from time to time adopt.

SECTION 2888. Arkansas Code § 24-7-607(b)(5), concerning the definition of "private school service" under the Arkansas Teacher Retirement System, is amended to read as follows:

(5) Such other rules ~~and regulations~~ consistent with this subchapter as the Board of Trustees of the Arkansas Teacher Retirement System may from time to time adopt.

SECTION 2889. Arkansas Code § 24-7-607(c)(4), concerning the definition of "private school service" under the Arkansas Teacher Retirement System, is amended to read as follows:

(4) The purchase and application of the noncertified service credit shall be subject to the rules ~~and regulations~~ consistent with this subchapter as the Arkansas Teacher Retirement System may from time to time adopt.

SECTION 2890. Arkansas Code § 24-7-611(b)(5), concerning the definition of "domestic federal service" under the Arkansas Teacher Retirement System Act, is amended to read as follows:

(5) The other rules ~~and regulations~~ consistent with this section as the Board of Trustees of the Arkansas Teacher Retirement System may from time to time adopt.

SECTION 2891. Arkansas Code § 24-7-728 is amended to read as follows:

24-7-728. Computation of benefits based on life annuity.

The Board of Trustees of the Arkansas Teacher Retirement System is authorized by this section to raise the level of benefit to the current retirants and other beneficiaries of the Arkansas Teacher Retirement System

to a comparable level increase to match the increase in benefits that would accrue to active members as a result of any increase in the calculation of a life annuity as provided in § 24-7-705(a)(1)(A) and (a)(1)(B) in accordance with any rules ~~and regulations~~ the board might promulgate. The amount of any increase for retirants and other beneficiaries shall also be determined in accordance with the rules ~~and regulations~~ of the board as is actuarially appropriate for the system. Prior to increasing a benefit as provided in this section, the board shall file relevant information concerning the actuarial appropriateness of the action with the Joint Committee on Public Retirement and Social Security Programs, and the action shall be reviewed by the committee.

SECTION 2892. Arkansas Code § 24-7-1314(a), concerning early participation in the Teacher Deferred Retirement Option Plan, is amended to read as follows:

(a) The Board of Trustees of the Arkansas Teacher Retirement System, in consultation with its actuary, may promulgate rules ~~and regulations~~ to allow members having at least twenty-eight (28) but less than thirty (30) years of credited service to enter the Teacher Deferred Retirement Option Plan as early participants. The board may authorize the early participation as soon as it is technologically feasible and actuarially appropriate.

SECTION 2893. Arkansas Code § 24-8-203(c)(1), concerning the Board of Trustees of the Arkansas Judicial Retirement System, is amended to read as follows:

(1) To make all rules ~~and regulations~~ necessary and proper for carrying out the provisions of this section;

SECTION 2894. Arkansas Code § 24-10-203(c), concerning the proceedings of the Board of Trustees of the Arkansas Local Police and Fire Retirement System, is amended to read as follows:

(c) Subject to the limitations of this chapter, the board shall formulate and adopt rules ~~and regulations~~ for the government of its own proceedings and for the administration of the system.

SECTION 2895. Arkansas Code § 24-10-206(b) and (c), concerning the

Arkansas Local Police and Fire Retirement System and federal taxation, are amended to read as follows:

(b) Notwithstanding any language to the contrary under this chapter, the Board of Trustees of the Arkansas Local Police and Fire Retirement System may promulgate rules ~~and regulations~~ consistent with this section.

(c) Any rule ~~or regulation~~ or portion of a rule ~~or regulation~~ promulgated under this section that is found by a court of competent jurisdiction to be in conflict with an applicable provision of the Internal Revenue Code of 1986, as it existed on January 1, 2011, shall be promptly corrected.

SECTION 2896. Arkansas Code § 24-10-303 is amended to read as follows:

24-10-303. Rules ~~and regulations~~ governing participation.

The Board of Trustees of the Arkansas Local Police and Fire Retirement System shall have the authority to promulgate such rules ~~and regulations~~ as are necessary to provide for the participation of employers that are rural fire protection corporations authorized under the provisions of § 4-34-101 et seq. However, the board shall not admit or retain any employer whose participation in the Arkansas Local Police and Fire Retirement System would jeopardize the tax-qualified status of the plan under the Internal Revenue Code, 26 U.S.C. § 1 et seq., or that would subject the plan to additional federal requirements, or to any other consequence that the board would determine to be detrimental to the system.

SECTION 2897. Arkansas Code § 24-11-104 is amended to read as follows:

24-11-104. Rules ~~and regulations~~.

The Department of Finance and Administration is authorized to promulgate such reasonable rules ~~and regulations~~ as are necessary to carry out the provisions of §§ 24-11-301 and 24-11-809.

SECTION 2898. Arkansas Code § 24-11-203(i), concerning the Arkansas Fire and Police Pension Review Board, is amended to read as follows:

(i)(1) The board shall have the power to make all rules ~~and regulations~~ necessary to enforce the laws governing funding standards and benefit levels for firemen's relief and pension fund and police pension and relief funds. Further, the board shall have the authority to make all rules

~~and regulations~~ necessary to assure continued tax qualification of each firemen's relief and pension fund and policemen's pension and relief fund that is subject to this subchapter.

(2) All rules ~~and regulations~~ must be promulgated in accordance with the provisions of the Arkansas Administrative Procedure Act, § 25-15-201 et seq. In addition, all rules ~~and regulations~~ relating to continued tax qualification of such plans shall be specifically presented to the Joint Committee on Public Retirement and Social Security Programs, or the Legislative Council when the General Assembly is not in session, for review prior to final adoption.

SECTION 2899. Arkansas Code § 24-11-210(g), concerning requirements for qualified plans under the Internal Revenue Code, is amended to read as follows:

(g) If the amount of any benefit is to be determined on the basis of actuarial assumptions that are not otherwise specifically set forth for that purpose in this subchapter, the actuarial assumptions to be used are those earnings and mortality assumptions being used on the date of the determination by the fund's actuary and approved by the board. The actuarial assumptions being used at any particular time shall be treated for all purposes as a part of the rules ~~and regulations~~ of the firemen's relief and pension fund or the policeman's pension and relief fund. The actuarial assumptions may be changed by the actuary if approved by the board, but a change in actuarial assumptions may not result in any decrease in benefits accrued as of the effective date of the change.

SECTION 2900. Arkansas Code § 24-11-421(a)(3), concerning restoration of credited service under the Arkansas Local Police and Fire Retirement System, is amended to read as follows:

(3) The repayment shall be made according to such rules ~~and regulations~~ as the board shall adopt.

SECTION 2901. Arkansas Code § 24-11-434(i), concerning the Arkansas Police Officers' Deferred Retirement Option Plan, is amended to read as follows:

(i) The Arkansas Fire and Police Pension Review Board may promulgate

~~regulations~~ rules to make the plan under this section comply with the requirements of this section and with the applicable portions of the Internal Revenue Code, 26 U.S.C. § 1 et seq., as it existed on January 1, 2003.

SECTION 2902. Arkansas Code § 24-11-816(b)(2)(B), concerning membership in the Arkansas Local Police and Fire Retirement System, is amended to read as follows:

(B) The repayment shall be made according to such rules ~~and regulations~~ as the board shall adopt from time to time.

SECTION 2903. Arkansas Code § 24-11-830(h), concerning the Arkansas Fire Fighters Deferred Retirement Option Plan, is amended to read as follows:

(h) The Arkansas Fire and Police Pension Review Board may promulgate ~~regulations~~ rules to make the plan under this section comply with the requirements of this section and with the applicable portions of the Internal Revenue Code, 26 U.S.C. § 1 et seq., as it existed on January 1, 2003.

SECTION 2904. Arkansas Code § 24-12-105(c)(1), concerning the board of trustees of the pension and relief fund for paid nonuniformed employees, is amended to read as follows:

(c)(1) The board shall make all necessary rules ~~and regulations~~ for its government and the discharge of its duties and shall hear and decide all applications for relief or pensions under this act.

SECTION 2905. Arkansas Code § 25-1-110(b)(1), concerning cost-effectiveness of state-owned vehicles, is amended to read as follows:

(b)(1) Each agency shall determine if the purchase or continued ownership of a vehicle is cost effective based upon a comparison between state vehicle ownership and private car mileage reimbursement break-even points, as established pursuant to ~~regulations~~ rules promulgated by the Department of Finance and Administration.

SECTION 2906. Arkansas Code § 25-1-203(e)(4), concerning the distribution of state publications, is amended to read as follows:

(4) Copies of statutes, laws, and ~~regulations~~ rules;

SECTION 2907. Arkansas Code § 25-1-205(b)(2), concerning copies of state publications to be filed with the Legislative Council, is amended to read as follows:

(2) Copies of statutes, laws, and ~~regulations~~ rules;

SECTION 2908. Arkansas Code § 25-1-205(b)(4), concerning copies of state publications to be filed with the Legislative Council, is amended to read as follows:

(4) Publications that are applications, instructions, or guidelines for complying with any state or federal law, rule, regulation, or policy;

SECTION 2909. Arkansas Code § 25-1-502(5), concerning the definition of "public entity" used for prohibited contracts and investments, is amended to read as follows:

(5) "Public entity" means the State of Arkansas, or a political subdivision of the state, including all boards, commissions, agencies, institutions, authorities, and bodies politic and corporate of the state, created by or in accordance with state law or ~~regulations~~ rules, and does include colleges, universities, a statewide public employee retirement system, and institutions in Arkansas as well as units of local and municipal government;

SECTION 2910. Arkansas Code § 25-2-104(a)(1)(B), concerning type 1 transfers, is amended to read as follows:

(B) The promulgation of rules, rates, ~~regulations,~~ and standards; and

SECTION 2911. Arkansas Code § 25-4-105(a)(1), concerning powers and duties of the Department of Information Systems, is amended to read as follows:

(a)(1) The Department of Information Systems shall be vested with all the powers and duties necessary to administer the department and to enable it to carry out fully and effectively the ~~regulations~~ rules and laws relating to the department.

SECTION 2912. Arkansas Code § 25-8-102(a) and (b), concerning authority of the Director of the Department of Finance and Administration, are amended to read as follows:

(a) The Director of the Department of Finance and Administration, with the approval of the Governor, may adopt reasonable rules~~, regulations,~~ and procedures, not inconsistent with the law, which he or she deems desirable for the effective administration of the Department of Finance and Administration and any of its divisions.

(b) The director shall have authority to install any recordkeeping and other procedures in his or her office and in other offices and departments of the state which he or she shall deem necessary or advisable to carry out his or her functions and duties. However, nothing in this section shall be construed to grant the director any authority to establish recordkeeping or other procedures, or rules ~~and regulations~~ with respect to the elected constitutional officers of the state, the General Assembly and its committees, or other agencies who are exempt from all or a part of the procedures set forth in the Arkansas Procurement Law, § 19-11-201 et seq., and the General Accounting and Budgetary Procedures Law, § 19-4-101 et seq.

SECTION 2913. Arkansas Code § 25-10-104(d)(1), concerning the Board of Developmental Disabilities Services, is amended to read as follows:

(d)(1) It is the intent of this section that the administration of the human development centers located at Alexander, Arkadelphia, Booneville, Conway, Jonesboro, and the Southeast Human Development Center at Warren, and the various facilities and services thereof, shall be under the control of the Board of Developmental Disabilities Services, as provided and intended by the Arkansas Constitution, Amendment 33, but the board shall exercise its control in accordance with the general guidelines, policies, and ~~regulations~~ rules of the Department of Human Services governing divisions, offices, sections, or units within the department with respect to budgets, personnel and personnel policies, records, purchasing, bookkeeping, and other administrative procedures prescribed by the director.

SECTION 2914. Arkansas Code § 25-10-106(b)(2), concerning division heads and other personnel of the Department of Human Services, is amended to read as follows:

(2) All personnel employed in the institutions under the management and control of those boards shall be named by the directors thereof, under the departmental rules ~~and regulations~~ related to personnel, and all personnel records of the boards of those institutions shall be in conformance with the general personnel policies promulgated by the Director of the Department of Human Services for other employees of the department.

SECTION 2915. Arkansas Code § 25-10-108(4)(A) and (B), concerning the coordination of programs and procedures of department and institutional boards of the Department of Human Services, are amended to read as follows:

(4)(A) Coordinate, with each institution and its administrator under the control and direction of the Department of Human Services State Institutional System Board and the Board of Developmental Disabilities Services within the Department of Human Services, the purchasing policies and procedures of the department as promulgated by the director thereof to assure that all those institutions comply with the uniform purchasing practices and policies of the department and with the Arkansas Procurement Law, § 19-11-201 et seq., and the rules ~~and regulations~~ promulgated thereunder by the State Procurement Director.

(B) However, each of the various institutions under the control of the Department of Human Services State Institutional System Board and the Board of Developmental Disabilities Services within the Department of Human Services is authorized to have institutional purchasing officials who shall be authorized to make purchases in behalf of those institutions which are not within the exclusive jurisdiction of the State Procurement Director, but all such purchases shall be made in compliance with the uniform purchasing practices and policies promulgated by the Director of the Department of Human Services to be applicable to all divisions, offices, sections, or units of the department and shall be in conformance with the Arkansas Procurement Law, § 19-11-201 et seq., and ~~regulations~~ <u>rules</u> promulgated by the State Procurement Director; and

SECTION 2916. Arkansas Code § 25-10-116(c), concerning advisory committees determined by the Director of the Department of Human Services or the Governor, is amended to read as follows:

(c) The members of the advisory committees shall be reimbursed for

actual and necessary meals, lodging, and mileage for travel in accordance with the procedures and standards provided by law or ~~regulation~~ rule for official travel by state employees in the performance of their duties. Payment shall be made from funds appropriated to the department.

SECTION 2917. Arkansas Code § 25-10-134(a), concerning community-based residential programs, is amended to read as follows:

(a)(1) The Department of Human Services shall not contract for community-based residential programs within any municipalities to house unrelated juveniles who have been adjudicated delinquent for a sexual offense or serious violent offense, or convicted of a sexual offense or a serious violent offense, until a community-based program has complied with ~~regulations~~ rules promulgated ~~within thirty (30) days of July 1, 1995,~~ by the department as set out herein.

(2) The purpose of these ~~regulations~~ rules is to ensure public notice and public safety in the department's process of contracting for residential services for adjudicated or convicted juvenile sexual offenders or adjudicated or convicted serious violent offenders.

(3) Provided further, the ~~regulations~~ rules shall be developed by the department and members of a committee appointed by the Governor, to include representatives of the following:

(A) The General Assembly;

(B) Local elected officials;

(C) Citizen representatives of local communities;

(D) Prosecuting attorneys;

(E) Judges of circuit court, juvenile division;

(F) Community-based providers;

(G) Law enforcement officers; and

(H) At least one (1) recognized mental health professional who specializes in the treatment of juvenile sexual offenders and juvenile serious violent offenders.

(4) The ~~regulations~~ rules shall include, but are not limited to, the following:

(A) Definitions for the terms "sexual offense" and "sexual offender" and "serious violent offense" and "serious violent offender" for purposes of this section;

(B) Procedures for notice to residents within a specified geographic area of a proposed residential program for juvenile sexual offenders and juvenile serious violent offenders, as defined in the ~~regulations~~ rules;

(C) Procedures for preplacement review of juvenile sexual offenders and juvenile serious violent offenders to determine that individual placements are appropriate, taking into account the location of a facility and a juvenile's offense or offenses, past treatment, prognosis, and present behavior;

(D) Procedures to determine that the level of supervision in a residential program is adequate for the individuals housed in the program; and

(E) Procedures for the department and a community-based contract provider to receive and respond to complaints and questions of residents of a community in which a community-based program is proposed or established, including remedies for a failure to respond.

SECTION 2918. Arkansas Code § 25-10-138 is amended to read as follows:

25-10-138. Education requirements for certain Division of Youth Services employees.

(a) With the assistance of the Office of Personnel Management of the Division of Management Services of the Department of Finance and Administration, the Division of Youth Services of the Department of Human Services shall promulgate ~~regulations~~ rules to increase the education requirements for youth service workers and security officers employed by the Division of Youth Services. If the services are under contract with the Division of Youth Services, the employees of the contractor shall meet the education requirements promulgated by the Division of Youth Services.

(b) No ~~regulation~~ rule pertaining to education requirements for youth service workers or security officers promulgated hereafter by the Division of Youth Services shall be effective until reviewed by the Legislative Council, the House Committee on Aging, Children and Youth, Legislative and Military Affairs, and the Senate Interim Committee on Children and Youth or appropriate subcommittees thereof of the General Assembly.

SECTION 2919. Arkansas Code § 25-10-139(a)(1), concerning training

requirements for certain Division of Youth Services employees, is amended to read as follows:

(a)(1) The Division of Youth Services of the Department of Human Services shall promulgate ~~regulations~~ rules to increase the hours of training provided to youth service workers and security officers employed by the division. If the services are under contract with the division, the employees of the contractor shall meet the training requirements promulgated by the division.

SECTION 2920. Arkansas Code § 25-10-139(b), concerning training requirements for certain Division of Youth Services employees, is amended to read as follows:

(b) No ~~regulation~~ rule pertaining to the training required of youth service workers and security officers promulgated hereafter by the division shall be effective until reviewed by the Legislative Council, the House Committee on Aging, Children and Youth, Legislative and Military Affairs, and the Senate Interim Committee on Children and Youth or appropriate subcommittees thereof of the General Assembly.

SECTION 2921. Arkansas Code § 25-10-202(2), concerning the definition of "visually handicapped" under the Division of State Services for the Blind, is amended to read as follows:

(2) “Visually handicapped”, as a term, shall be defined by ~~regulations~~ rules of the board, and the board shall have sole and exclusive authority to define and determine whether any person is “blind” or “visually handicapped” for purposes of determining eligibility to participate in government programs under this subchapter.

SECTION 2922. Arkansas Code § 25-10-402(b), concerning the purpose for the Department of Human Services State Institutional System Board, is amended to read as follows:

(b) The board shall perform its functions and duties in accordance with the general guidelines, policies, and ~~regulations~~ rules of the department governing divisions, offices, sections, or units within the department with respect to budgets, personnel and personnel policies, records, purchasing, bookkeeping, and other administrative procedures

prescribed by the Director of the Department of Human Services.

SECTION 2923. Arkansas Code § 25-16-405 is amended to read as follows:

25-16-405. Arkansas Ambassador's Certificate.

The Secretary of State shall have the authority to issue an Arkansas Ambassador's Certificate, which may be given to citizens of the State of Arkansas who will be traveling outside the state. The Secretary of State may adopt such reasonable rules ~~and regulations~~ as may be necessary for the effective implementation of this section.

SECTION 2924. Arkansas Code § 25-16-519(d), concerning the issuance of duplicates of warrants by the Auditor of State, is amended to read as follows:

(d) The Auditor of State shall review the bonding procedures for the issuance of duplicate warrants and shall issue rules ~~and regulations~~ on the adequate bonding of all payees on duplicate warrants to preserve and protect the expenditure of state funds.

SECTION 2925. Arkansas Code § 25-17-302(b), concerning the cumulative effect of regulation of state property, is amended to read as follows:

(b) The provisions of this subchapter shall be cumulative to any remedies which each institution may possess for enforcing its rules ~~and regulations~~, including its rights to impose sanctions through fees and charges and its rights to discipline, deny service, and expel.

SECTION 2926. Arkansas Code § 25-17-304(e)(2), concerning the appointment and removal of institutional law enforcement officers, is amended to read as follows:

(2) The executive head of the institution and the executive head of the department or their designees shall maintain a file containing each institutional law enforcement officer's authorization certificate, the certificate of appointment, and all other certificates and information consistent with the ~~regulations~~ rules of the Arkansas Commission on Law Enforcement Standards and Training.

SECTION 2927. Arkansas Code § 25-17-307 is amended to read as follows:

25-17-307. Rules ~~and regulations~~ for motor vehicles on institutional grounds.

(a) Each of the institutions described in § 25-17-301 is authorized to promulgate rules ~~and regulations~~ and to amend or change them from time to time as its governing board shall deem necessary, providing for the operation and parking of motor vehicles upon the grounds, streets, drives, and alleys under its control, including, but not limited to, the following ~~regulations~~ rules:

(1) Limiting the rate of speed;

(2)(A) Assigning parking spaces and designating parking areas and their uses and collecting charges or fees as rent for those spaces.

(B) The charges or fees collected under subdivision (a)(2)(A) of this section, other than fees for parking or parking passes for athletic events or other special events, shall not be considered as payment for the providing of any service of any nature to the person paying the charges or fees as rent and shall be exempt from the tax levied by § 26-52-301(3);

(3) Prohibiting parking as it deems necessary;

(4) Removing vehicles parked in violation of institutional rules ~~and regulations~~ or city ordinances, at the expense of the violator, who shall pay the expense before the vehicle is released;

(5) Instituting a system of motor vehicle registration for the identification and regulation of vehicles regularly using institutional premises, including a reasonable charge to defray the cost thereof; and

(6)(A) Collecting under an established system administrative charges for violations of institutional rules ~~and regulations~~ governing motor vehicles, their operation, and parking.

(B) However, an administrative finding of violation may be appealed to the appropriate district court where the matter shall be heard de novo.

(b) ~~Rules and regulations~~ Institutional rules, together with any amendments thereto, which may from time to time be adopted by a state institution for the regulation of operation and parking of motor vehicles shall be recorded in the official minutes of the governing board having supervision of the institution, shall be filed with the Secretary of State, and shall be printed, with copies available at convenient locations at the

institution or at any separate portion thereof.

(c) Speed limits shall be posted at reasonable intervals, and traffic and parking directions and prohibitions shall be indicated by signs.

(d) From and after the promulgation of the institutional rules ~~and regulations~~, it shall be unlawful for any person to operate or to park a motor vehicle in violation thereof. Any person violating or refusing to comply with the institutional rules ~~and regulations~~ if not otherwise provided for by city ordinance shall be subjected to a reasonable administrative charge stated in the promulgated institutional rules ~~and regulations~~.

(e)(1) Persons violating institutional rules ~~and regulations~~ promulgated under this section while using a motor vehicle registered with the institution at the option of the institutional law enforcement officer shall be charged under the institution's system of charges or summoned to appear before any court of competent jurisdiction, to be dealt with according to law. A person adversely affected by any administrative determination as described shall have a right to appeal therefrom to the appropriate district court where the matter shall be heard de novo.

(2) Persons violating institutional rules ~~and regulations~~ under this section while using a motor vehicle not registered with the institution or persons violating city ordinances shall be summoned to appear before the court. Notice placed on the vehicle shall be sufficient as a summons for the purposes of this section.

SECTION 2928. Arkansas Code § 25-18-604(b)(2), concerning the retention requirement for public records for the Department of Finance and Administration, is amended to read as follows:

(2) The Arkansas General Records Retention Schedule, previously promulgated and adopted as Agency Policy 200.000 of the Office of Information Technology, shall be an official ~~regulation~~ rule of the department subject to revision under subsection (d) of this section.

SECTION 2929. Arkansas Code § 25-20-305(3), concerning the powers and duties of boards of commissioners of consolidated waterways systems, is amended to read as follows:

(3) Adopting such rules~~, regulations,~~ and bylaws as the board of commissioners may deem necessary and expedient for the proper ownership and

operation of the consolidated waterworks system, and altering, changing, or amending the rules~~, regulations,~~ and bylaws at its discretion; and

SECTION 2930. Arkansas Code § 25-20-404(b)(3), concerning the powers and duties of boards of commissioners under the Arkansas Municipal Electric Utility Interlocal Cooperation Act of 2003, is amended to read as follows:

(3) Adopting such rules~~, regulations,~~ and bylaws as the board may deem necessary and expedient for the proper ownership and operation of its electric projects. The rules~~, regulations,~~ and bylaws may be altered, changed, or amended at the board's discretion; and

SECTION 2931. Arkansas Code § 25-28-103(e), concerning the authority of the Tax Division of the Arkansas Public Service Commission, is amended to read as follows:

(e) Any and all other prescribed powers, duties, and functions of the commission regarding assessment and equalization of properties and the administration of the tax laws of this state not specifically retained by the commission or the Tax Division of the Arkansas Public Service Commission in this chapter, including rulemaking and regulation; promulgation of rules, rates, ~~regulation~~ and standards; and the rendering of findings, orders, and adjudications are transferred by a type 2 transfer as provided in § 25-2-105 to the Director of the Assessment Coordination Department.

SECTION 2932. Arkansas Code § 25-28-105 is amended to read as follows:

25-28-105. Compliance with other laws.

Disbursement of funds authorized by this chapter shall be limited to the appropriation for the agency being transferred and funds made available by law for the support of such appropriations. The restrictions of the Arkansas Procurement Law, § 19-11-201, the General Accounting and Budgetary Procedures Law, § 19-4-101, the Revenue Stabilization Law, § 19-5-101 et seq., the Regular Salary Procedures and Restrictions Act, § 21-5-101, or their successors, and other fiscal control laws of this state, where applicable, and ~~regulations~~ rules promulgated by the Department of Finance and Administration, as authorized by law, shall be strictly complied with in disbursement of those funds.

SECTION 2933. Arkansas Code § 25-29-104(3), concerning the powers and duties of the Arkansas Deaf and Hearing Impaired Telecommunications Services Corporation, is amended to read as follows:

(3) Have perpetual succession as a body politic and corporate, adopt bylaws for the regulation of the affairs and the conduct of its business, and prescribe rules~~, regulations,~~ and policies in connection with the performance of its functions and duties;

SECTION 2934. Arkansas Code § 25-36-104(d), concerning the data recording and tracking by the State Procurement Director, is amended to read as follows:

(d) The director shall promulgate rules ~~and regulations~~ necessary for the implementation of this chapter.

SECTION 2935. Arkansas Code § 26-17-302 is amended to read as follows:

26-17-302. Motor vehicle license fees.

The Director of the Department of Finance and Administration shall collect the motor vehicle license fees prescribed by law, and he or she is empowered to make and enforce the necessary rules ~~and regulations~~ to ensure those collections.

SECTION 2936. Arkansas Code § 26-18-208(4)(A), concerning additional criminal penalties and taxes, is amended to read as follows:

(4)(A) If any part of a deficiency in taxes is determined to be due to negligence or intentional disregard of rules ~~and regulations~~ promulgated under the authority of this subchapter or any state tax law, then the director shall add a penalty of ten percent (10%) of the total amount of the deficiency in addition to any interest provided by law.

SECTION 2937. Arkansas Code § 26-18-211 is amended to read as follows:

26-18-211. Failure to correct noncompliance after notification.

If a taxpayer has been previously advised that he or she has failed to comply with the provisions of the Arkansas Code or the rules ~~and regulations~~ as promulgated by the Director of the Department of Finance and Administration by his or her failure to include all of the information required to be shown on the return or the inclusion of incorrect information

and he or she continues to disregard those provisions, there shall be assessed a penalty of fifty dollars ($50.00) per return, unless the failure is due to reasonable cause and not due to willful neglect.

SECTION 2938. Arkansas Code § 26-18-301(b), concerning the duties of the Director of the Department of Finance and Administration, is amended to read as follows:

(b) The director shall make available at cost to the general public all rules ~~and regulations~~ promulgated by the director.

SECTION 2939. Arkansas Code § 26-18-303(g)(1), concerning confidential and privileged records and exceptions under the Arkansas Tax Procedure Act, is amended to read as follows:

(g)(1) The Director of the Department of Finance and Administration shall promulgate such ~~regulations~~ rules as are necessary to establish a reasonable procedure for making requests for and release of information under subdivision (b)(11) of this section, for allowing a taxpayer reasonable notice in advance of the release of the requested information, for a period of time up to seven (7) days from the date a request for information is made to provide notice and make necessary determinations, and to provide the methods by which the Director of the Department of Finance and Administration shall determine if the information requested is subject to disclosure under Arkansas law.

SECTION 2940. Arkansas Code § 26-18-303(i)(3), concerning confidential and privileged records and exceptions under the Arkansas Tax Procedure Act, is amended to read as follows:

(3) The Director of the Department of Finance and Administration shall promulgate such ~~regulations~~ rules as are necessary to establish a reasonable procedure for making requests for and for the release of information under this section.

SECTION 2941. Arkansas Code § 26-18-312(b)(1) and (2), concerning signatures on electronic forms under the Arkansas Tax Procedure Act, are amended to read as follows:

(1) Waive the requirement of a signature for a particular type

or class of return, declaration, statement, or other document required or permitted to be made in writing under state tax laws and ~~regulations~~ rules; or

(2) Provide for alternative methods of signing or subscribing a particular type or class of return, declaration, statement, or other document required or permitted to be made in writing under state tax laws and ~~regulations~~ rules.

SECTION 2942. Arkansas Code § 26-18-401(a)(2), concerning the assessment and collection of taxes generally, is amended to read as follows:

(2) The proposed assessment shall be made by recording the liability of the taxpayer in the office of the director in accordance with rules ~~or regulations~~ prescribed by the director.

SECTION 2943. Arkansas Code § 26-18-505(a)(4), concerning the extension of time for filing returns, is amended to read as follows:

(4) The director may promulgate ~~regulations~~ rules to grant automatic extensions of time to file income tax returns and information returns without the taxpayer being required to submit a written application for the extension of time to file.

SECTION 2944. Arkansas Code § 26-18-705(d), concerning the settlement or compromise of liability controversies, is amended to read as follows:

(d) The director shall promulgate rules ~~and regulations~~ establishing guidelines for determining whether a proposed offer in compromise is adequate and is acceptable to resolve a tax dispute.

SECTION 2945. Arkansas Code § 26-18-808(d), concerning civil damages for failure to release liens, is amended to read as follows:

(d) Notice of Failure to Release Lien. The director shall by ~~regulation~~ rule prescribe reasonable procedures for a taxpayer to notify the director of the failure to release a lien on property of the taxpayer.

SECTION 2946. Arkansas Code § 26-18-809(a), concerning civil damages for certain unauthorized collection actions, is amended to read as follows:

(a) In General. If, in connection with any collection of state tax

with respect to a taxpayer, any employee of the Revenue Division of the Department of Finance and Administration, recklessly or intentionally disregards any provision of this title, or any ~~regulation~~ rule promulgated under this title, such taxpayer may bring a civil action for damages against the director. Except as provided in § 26-18-808, such civil action shall be the exclusive remedy for recovering damages resulting from such actions.

SECTION 2947. Arkansas Code § 26-18-811(a), concerning the administrative appeal of liens, is amended to read as follows:

(a) In General. In such form and at such time as the director shall prescribe by ~~regulation~~ rule, any person shall be allowed to appeal to the director after the filing of a notice of a lien under this subchapter on the property or the rights to property of such person, for a release of such lien alleging an error in the filing of the notice of such lien.

SECTION 2948. Arkansas Code § 26-19-108 is amended to read as follows:

26-19-108. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration is authorized to adopt rules ~~and regulations~~ which he or she deems necessary to implement and enforce the provisions of this subchapter.

SECTION 2949. Arkansas Code § 26-21-115(b)(2), concerning confidentiality and privacy protections with respect to model 1 sellers, is amended to read as follows:

(2) "Confidential taxpayer information" means all information that is protected under Arkansas's laws, rules, ~~regulations,~~ and privileges; and

SECTION 2950. Arkansas Code § 26-24-101(1)(B)(i)(a), concerning the creation of the Tax Division within the Arkansas Public Service Commission, is amended to read as follows:

(B)(i)(a) All rules~~, regulations,~~ and procedures to be followed by the Tax Division in assessing public utilities shall be promulgated by the Arkansas Public Service Commission, and all assessments of public utilities made by the Tax Division shall be upon the approval of the Arkansas Public Service Commission.

SECTION 2951. Arkansas Code § 26-24-101(1)(B)(ii)(a), concerning the creation of the Tax Division within the Arkansas Public Service Commission, is amended to read as follows:

(ii)(a) All rules~~, regulations,~~ and procedures to be followed by the Tax Division in assessing public carriers shall be promulgated by the Arkansas Transportation Commission [abolished], and all assessments of public carriers made by the Tax Division shall be upon the approval of the Arkansas Transportation Commission [abolished].

SECTION 2952. Arkansas Code § 26-24-107 is amended to read as follows:

26-24-107. Rules ~~and regulations~~.

The Arkansas Public Service Commission shall have the full power and authority in the administration of the tax laws of this state to:

(1) Prescribe from time to time such general and uniform rules ~~and regulations~~ and issue such orders and instructions, not inconsistent with law, as may be deemed necessary respecting the manner of the exercise of the powers and discharge of the duties of any and all taxing officials; and

(2) Require compliance with the commission's forms, rules, ~~regulations,~~ orders, and instructions.

SECTION 2953. Arkansas Code § 26-26-304(d)(3)(B) and (C), concerning the reimbursement for travel expenses for training county assessors, are amended to read as follows:

(B) The total expenses incurred, other than for transportation, for travel within the county shall not exceed one-half (½) the daily maximum amount authorized for travel of state employees within the state, and, for travel outside the county, the amount shall not exceed the daily maximum amount authorized for travel of state employees within the state, in accordance with state travel laws and ~~regulations~~ rules.

(C) The transportation expenses shall not exceed the actual amount paid, except that the reimbursement for use of a private automobile shall be at the same rate per mile as is allowed in the reimbursement of state employees under the state travel laws and ~~regulations~~ rules for transportation expenses for each mile actually and necessarily traveled by the automobile, within and without the county.

SECTION 2954. Arkansas Code § 26-26-308 is amended to read as follows:

26-26-308. Rules ~~and regulations~~.

The Assessment Coordination Department shall promulgate appropriate rules ~~and regulations~~ to carry out the provisions of §§ 26-26-306 and 26-26-307 and this section.

SECTION 2955. Arkansas Code § 26-26-402(a)(1), concerning the procedure for adjustment of taxes after reappraisal or reassessment of property, is amended to read as follows:

(a)(1) Whenever a countywide reappraisal or reassessment of property subject to ad valorem taxes, made in accordance with procedures established in this subchapter and with ~~regulations~~ rules of the Assessment Coordination Department, or its successor agency, adopted pursuant to the authority granted in this section shall result in an increase in the aggregate value of taxable real and personal property in any taxing unit in this state of ten percent (10%) or more over the previous year, the rate of city or town, county, school district, and community college district taxes levied against the taxable real and personal property of each taxing unit shall, upon completion of the reappraisal or reassessment, be adjusted or rolled back by the governing body of the taxing unit for the year for which levied as provided.

SECTION 2956. Arkansas Code § 26-26-1113(c)(1), concerning property used for purposes other than church purposes, is amended to read as follows:

(c)(1) The Assessment Coordination Department shall promulgate reasonable rules ~~and regulations~~ to effectuate the provisions of this chapter.

SECTION 2957. Arkansas Code § 26-26-1114(c), concerning the assessment of personal property taxes by mail or telephone, is amended to read as follows:

(c) The Director of the Assessment Coordination Department shall promulgate ~~regulations~~ rules for the administration of this section. The forms and ~~regulations~~ rules promulgated by the director shall apply to all counties in the state.

SECTION 2958. Arkansas Code § 26-26-1803 is amended to read as follows:

26-26-1803. Rules ~~and regulations~~.

The Tax Division of the Arkansas Public Service Commission shall adopt such rules ~~and regulations~~ as are necessary in order to make original assessments of all property, both real and personal, used by cable television systems in this state.

SECTION 2959. Arkansas Code § 26-26-1911 is amended to read as follows:

26-26-1911. Department authority.

The Assessment Coordination Department shall promulgate ~~regulations~~ rules for the implementation of this subchapter.

SECTION 2960. Arkansas Code § 26-35-606(d), concerning collection of real and personal property taxes, is amended to read as follows:

(d) As used in this section, "financial institution" means any organization or enterprise which receives deposits and forwards checks, drafts, or orders for collection and which is subject to state rules or federal regulation.

SECTION 2961. Arkansas Code § 26-51-202(e)(3)(B), concerning taxes paid by nonresidents, is amended to read as follows:

(B) Likewise, the provisions of subdivision (e)(1) of this section shall not apply to corporate partners of an investment partnership except as provided by ~~regulations~~ rules adopted by the Director of the Department of Finance and Administration.

SECTION 2962. Arkansas Code § 26-51-206(c), concerning exemptions related to commercial ventures by churches, is amended to read as follows:

(c) The Director of the Department of Finance and Administration is authorized to promulgate reasonable rules ~~and regulations~~ to carry out the provisions of this section.

SECTION 2963. Arkansas Code § 26-51-412(c), concerning the

determination of gain or loss when exchanging property, is amended to read as follows:

(c) When, in connection with the reorganization, merger, or consolidation of a corporation, a taxpayer receives, in place of stock or securities owned by him or her, new stock or securities, then the basis of computing the gain or loss, if there is any, in a case where the stock or securities owned were acquired before January 1, 1928, shall be the fair market price or value thereof as of that date if such price or value exceeds the original cost, and in all other cases the cost thereof, under ~~regulations~~ rules to be promulgated by the Director of the Department of Finance and Administration.

SECTION 2964. Arkansas Code § 26-51-418(c), concerning state income tax deductions for disabled children, is amended to read as follows:

(c) The Director of the Department of Finance and Administration may adopt appropriate rules ~~and regulations~~ to carry out the purpose and intent of this section and to prevent abuse of the deduction provided for in this section.

SECTION 2965. Arkansas Code § 26-51-450(d), concerning small business guaranty fee deductions, is amended to read as follows:

(d) The Revenue Division of the Department of Finance and Administration may promulgate ~~regulations~~ rules as necessary to administer this section.

SECTION 2966. Arkansas Code § 26-51-504(b), concerning income from sources outside of Arkansas, is amended to read as follows:

(b) Before a resident of Arkansas may claim the credit allowed under this section, he or she shall file with his or her income tax return any such additional information as the Director of the State Income Tax Division or the Director of the Department of Finance and Administration may by ~~regulation~~ rule require showing in detail the amount of gross and net income derived from property owned or business transacted without this state, together with the amount of tax actually owed on the income to another state or territory.

SECTION 2967. Arkansas Code § 26-51-505(e), concerning the establishment or expansion of a manufacturing enterprise, is amended to read as follows:

(e)(1) The Revenue Division of the Department of Finance and Administration shall promulgate such rules ~~and regulations~~ as may be deemed necessary to carry out the purposes of this section.

(2) The division shall consult with the Department of Workforce Services and the Arkansas Economic Development Council during the promulgation of the rules ~~and regulations~~.

SECTION 2968. Arkansas Code § 26-51-506(k)(1), concerning a tax credit for waste reduction, reuse, or recycling equipment, is amended to read as follows:

(k)(1)(A) The Arkansas Department of Environmental Quality and the division shall promulgate rules ~~or regulations~~ as are necessary to administer this section.

(B) These rules ~~or regulations~~ may include, but are not limited to, the establishment of technical specifications and of requirements for information and documentation for taxpayers seeking a credit under this section and shall encourage, but not require, the use of Arkansas contractors and post-consumer waste generated in Arkansas in recycling projects which qualify for credits provided by this section.

SECTION 2969. Arkansas Code § 26-51-511(d)(3)(C), concerning coal mining, producing, and extracting, is amended to read as follows:

(C)(i) The Department of Finance and Administration shall promulgate rules ~~and regulations~~ to permit the verification of the validity and timeliness of a claimed tax credit that has been transferred under this subsection.

(ii) The rules ~~and regulations~~ shall not unduly restrict or hinder the transfers of credits under this section.

SECTION 2970. Arkansas Code § 26-51-807(d), concerning an automatic extension of time for filing a federal income tax return and the corresponding state tax return, is amended to read as follows:

(d) The director may promulgate ~~regulations~~ rules granting automatic

extensions of time to file income tax returns and information returns without the taxpayer being required to submit a written application, a copy of the federal request for extension, or a copy of the document granting the federal extension if the director determines that such requirements are unnecessary for the administration of the income tax laws.

SECTION 2971. Arkansas Code § 26-51-811(a)(1), concerning information as to recipients of income for tax purposes, is amended to read as follows:

(a)(1) Every individual, partnership, limited liability company, corporation, joint-stock company or association, or insurance company, being a resident or having a place of business in this state; members of a partnership or employees in whatever capacity acting, including lessees or mortgagees, of real or personal property; members or managers of limited liability companies or employees in whatever capacity acting; fiduciaries; employers and all officers and employees of this state, or of any political subdivision of this state, having the control, receipt, custody, disposal, or payment of interest, rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable annual or periodical gains, profits, and income amounting to two thousand five hundred dollars ($2,500) or over, paid or payable during any year to any taxpayer shall make complete returns under oath to the Director of the Department of Finance and Administration, under such ~~regulations~~ rules and in such form and manner and to such extent as may be prescribed by the director with the approval of the Governor.

SECTION 2972. Arkansas Code § 26-51-812(a), concerning the withholding of taxes at the source, is amended to read as follows:

(a) The Director of the Department of Finance and Administration, whenever he or she deems it necessary to ensure compliance with the provisions of the Income Tax Act of 1929, may, under rules ~~and regulations~~ prescribed by him or her, require any individual, partnership, limited liability company, corporation, joint-stock company, or association, including lessees or mortgagors and employees of the state or of any political subdivision of the state having control, receipt, custody, disposal, or payment of interest, other than interest coupons payable to bearer, rent, salaries, wages, premiums, compensation, remunerations,

emoluments, or other fixed or determinable annual or periodical gains, profits, and income paid or payable to any taxpayer, to deduct and withhold the tax due from the taxpayer and make return thereof and pay the tax to the director.

SECTION 2973. Arkansas Code § 26-51-816(d), concerning the signature document required for Arkansas income tax returns, is amended to read as follows:

(d) The director may promulgate rules ~~and regulations~~ for the proper enforcement of this section.

SECTION 2974. Arkansas Code § 26-51-904 is amended to read as follows:

26-51-904. Rules ~~and regulations~~ — Forms.

The Director of the Department of Finance and Administration shall make and prescribe such rules~~, regulations,~~ and forms as he or she shall deem necessary to carry out the purposes of this subchapter.

SECTION 2975. Arkansas Code § 26-51-908(a)(3), concerning an employer's return and payment of taxes withheld, is amended to read as follows:

(3) However, the director may provide by ~~regulation~~ rule that every such employer shall on or before the fifteenth day of each month pay over to the director or a depository designated by the director the amount required to be deducted and withheld by the employer for the preceding month if the amount is one hundred dollars ($100) or more.

SECTION 2976. Arkansas Code § 26-51-909(c)(5), concerning an employer's annual withholding statement, is amended to read as follows:

(5) Such other information as the director shall require by rule ~~or regulation~~.

SECTION 2977. Arkansas Code § 26-51-911(f), concerning a declaration of estimated tax, is amended to read as follows:

(f) A taxpayer may file amendments to a declaration at such times, under such rules ~~and regulations,~~ and in such form as the director shall prescribe.

SECTION 2978. Arkansas Code § 26-51-1010(a)(1), concerning the application and approval procedure for projects by the Arkansas Natural Resources Commission, is amended to read as follows:

(a)(1) The Arkansas Natural Resources Commission shall promulgate such rules ~~and regulations~~ as may be deemed necessary in administering projects submitted with the intent of qualifying for the tax incentives provided for in this subchapter.

SECTION 2979. Arkansas Code § 26-51-1101(3), concerning the definition of "machinery and equipment" under the laws addressing the donation or sale or equipment to educational institutions, is amended to read as follows:

(3) “Machinery and equipment” means tangible personal property used in connection with a qualified education program or a qualified research program that has been approved for a tax credit under rules ~~and regulations~~ prescribed by the Department of Finance and Administration;

SECTION 2980. Arkansas Code § 26-51-1307(c)(5), concerning an annual statement of withholding for racing winnings, is amended to read as follows:

(5) Such other information as the director shall require by rule ~~or regulation~~.

SECTION 2981. Arkansas Code § 26-51-1505(e), concerning the wetland and riparian zone creation and restoration tax credit, is amended to read as follows:

(e) The division shall promulgate such rules ~~and regulations~~ as may be deemed necessary to carry out the tax credit provisions of this subchapter.

SECTION 2982. Arkansas Code § 26-51-1704(b) and (c), concerning the sale, assignment, and transfer of tax credits, are amended to read as follows:

(b) An owner or transferee desiring to make a transfer, sale, or assignment as described in subsection (a) of this section shall submit to the Director of the Department of Finance and Administration a statement which describes the amount of Arkansas low income housing tax credit for which

transfer, sale, or assignment of Arkansas low income housing tax credit is eligible. The owner shall provide to the director such information as is specified by the Department of Finance and Administration in ~~regulations~~ rules so that the Arkansas low income housing tax credit may be properly allocated.

(c) In the event that recapture of Arkansas low income housing tax credit is required pursuant to § 26-51-1703(b) of this subchapter, the statements submitted to the director as provided in this section shall include the proportion of the Arkansas low income housing tax credit required to be recaptured, the identity of each transferee subject to recapture, and the amount of Arkansas low income housing tax credit previously transferred to such transferee and such other information as is specified by the department in ~~regulations~~ rules.

SECTION 2983. Arkansas Code § 26-51-1705 is amended to read as follows:

26-51-1705. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration and the Arkansas Development Finance Authority shall promulgate rules ~~and regulations~~ necessary to administer the provisions of this subchapter. No rule or portion of a rule promulgated under the authority of this section shall become effective until it has been approved by the director in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 2984. Arkansas Code § 26-51-2006(c), concerning the administration of the Arkansas Tax Procedure Act, is amended to read as follows:

(c) The Director of the Arkansas Economic Development Commission may promulgate such rules ~~and regulations~~ as are necessary to carry out the intent and purposes of this subchapter.

SECTION 2985. Arkansas Code § 26-51-2303(b), concerning the administration of the Arkansas Tax Procedure Act, is amended to read as follows:

(b) The Director of the Department of Finance and Administration shall make and prescribe such rules~~, regulations,~~ and forms as he or she deems

necessary to administer this subchapter.

SECTION 2986. Arkansas Code § 26-51-2502(c), concerning the Arkansas Disaster Relief Income Tax Check-Off Program, is amended to read as follows:

(c) The Director of the Department of Finance and Administration shall have the authority to promulgate all rules ~~and regulations~~ and all income tax forms, returns, and schedules necessary to carry out this program.

SECTION 2987. Arkansas Code § 26-51-2503(a)(3), concerning contributions to the Arkansas School for the Blind and the Arkansas School for the Deaf, is amended to read as follows:

(3) The Director of the Department of Finance and Administration may promulgate all rules ~~and regulations~~ and all income tax forms, returns, and schedules necessary to implement this section.

SECTION 2988. Arkansas Code § 26-51-2504(f), concerning the Baby Sharon Act and the Baby Sharon's Children's Catastrophic Illness Grant Program, is amended to read as follows:

(f) The director shall promulgate all rules ~~and regulations~~ and all income tax forms, returns, and schedules necessary to carry out the revenue-producing provisions of this section.

SECTION 2989. Arkansas Code § 26-51-2505(c), concerning voluntary contributions to the Organ Donor Awareness Education Trust Fund, is amended to read as follows:

(c) The Director of the Department of Finance and Administration shall promulgate all rules ~~and regulations~~ and all income tax forms, returns, schedules, or other materials necessary to carry out the provisions of this section.

SECTION 2990. Arkansas Code § 26-52-105 is amended to read as follows:

26-52-105. Administration — Rules ~~and regulations~~.

(a) The administration of this chapter is vested in and shall be exercised by the Director of the Department of Finance and Administration.

(b) The director shall promulgate rules ~~and regulations~~ and prescribe forms for the proper enforcement of this chapter.

SECTION 2991. Arkansas Code § 26-52-402(a)(3), concerning tax-exempted machinery and equipment, is amended to read as follows:

(3)(A) Gross receipts or gross proceeds derived from the sale of tangible personal property consisting of machinery and equipment required by state or federal law, rules, or regulations to be installed and utilized by manufacturing and processing plants or facilities, cities, or towns in this state to prevent or reduce air or water pollution or contamination that might otherwise result from the operation of the plant, facility, city, or town.

(B) As used in this subdivision (a)(3), "machinery and equipment required by state or federal law, rules, or regulations to be installed and utilized by manufacturing and processing plants or facilities" includes:

(i) Machinery and equipment required by state or federal law, rules, or regulations to be used in the refining of petroleum-based products to remove sulfur pollutants from the refined product; and

(ii) Any repair parts and repair labor for machinery or equipment required by state or federal law, rules, or regulations to be used in the refining of petroleum-based products to remove sulfur pollutants from the refined product.

SECTION 2992. Arkansas Code § 26-52-402(d), concerning tax-exempt machinery and equipment, is amended to read as follows:

(d) The Director of the Department of Finance and Administration may promulgate rules ~~and regulations~~ for the orderly and efficient administration of this section.

SECTION 2993. Arkansas Code § 26-52-406(b), concerning the tax exemption for prescription drugs and oxygen, is amended to read as follows:

(b) The Director of the Department of Finance and Administration shall adopt such appropriate rules ~~and regulations~~ as the director deems necessary to assume the effective and efficient administration of the exemption provided for in this section and to prevent abuse thereof.

SECTION 2994. Arkansas Code § 26-52-501(j), concerning preparation of returns and payment of tax, is amended to read as follows:

(j) The director may establish by ~~regulation~~ rule separate requirements for filing reports and returns and paying the tax levied under this chapter for taxpayers whose principal line of business does not include the retail selling of tangible personal property, specified digital products, or a digital code or performing taxable services.

SECTION 2995. Arkansas Code § 26-52-502(b), concerning tax returns on the basis of cash actually received, is amended to read as follows:

(b) The application shall be granted by the director under such rules ~~and regulations~~ as the director may prescribe.

SECTION 2996. Arkansas Code § 26-52-510(c), concerning the direct payment of tax by a consumer on new and used motor vehicles, trailers, or semitrailers, is amended to read as follows:

(c) All parts and accessories purchased by motor vehicle sellers for resale or used by them for the reconditioning or rebuilding of used motor vehicles intended for resale are exempt from gross receipts tax, provided that the motor vehicle seller meets the requirements of § 26-52-401(12)(A) and applicable ~~regulations~~ rules promulgated by the director.

SECTION 2997. Arkansas Code § 26-52-518(a)(3)(C), concerning special event taxes, is amended to read as follows:

(C) The special events shall not include any county, district, or state fair or the four states livestock show that has been approved, pursuant to the rules ~~and regulations~~ of the Arkansas Livestock and Poultry Commission, to receive state funds; and

SECTION 2998. Arkansas Code § 26-53-104 is amended to read as follows:

26-53-104. Rules ~~and regulations~~ — Forms.

(a) The Director of the Department of Finance and Administration shall promulgate rules ~~and regulations~~ and prescribe forms for the proper enforcement of this subchapter.

(b)(1) The rules~~, regulations,~~ and forms shall be dated and issued under a systematic method of numbering, and copies shall be made available to any person requesting them.

(2) A complete file of all the rules~~, regulations,~~ and forms

shall be kept in the office of the director.

SECTION 2999. Arkansas Code § 26-53-114(a)(3), concerning exemptions for certain machinery and equipment, is amended to read as follows:

(3)(A) Machinery and equipment required by state or federal law, rules, or regulations to be installed and utilized by manufacturing or processing plants or facilities, cities, or towns in this state to prevent or reduce air or water pollution or contamination that might otherwise result from the operation of the plant, facility, city, or town.

(B) As used in this subdivision (a)(3), "machinery and equipment required by state or federal law, rules, or regulations to be installed and utilized by manufacturing and processing plants or facilities" includes:

(i) Machinery and equipment required by state or federal law, rules, or regulations to be used in the refining of petroleum-based products to remove sulfur pollutants from the refined product; and

(ii) Any repair parts and repair labor for machinery or equipment required by state or federal law, rules, or regulations to be used in the refining of petroleum-based products to remove sulfur pollutants from the refined product.

SECTION 3000. Arkansas Code § 26-53-114(d), concerning exemptions for certain machinery and equipment, is amended to read as follows:

(d) The Director of the Department of Finance and Administration may promulgate rules ~~and regulations~~ for the orderly and efficient administration of this section.

SECTION 3001. Arkansas Code § 26-53-123(b), concerning liability for personal property taxes, is amended to read as follows:

(b) However, a receipt from a vendor authorized by the Director of the Department of Finance and Administration under such rules ~~and regulations~~ as he or she may prescribe to collect the tax imposed given to the purchaser in accordance with the provisions of §§ 26-53-121 and 26-53-122 shall be sufficient to relieve the purchaser from further liability for the tax to which the receipt may refer.

SECTION 3002. Arkansas Code § 26-53-131(a)(1)(A)(ii), concerning credit for tax paid in another state, is amended to read as follows:

(ii) Proof of payment of the tax shall be made according to the rules ~~and regulations~~ promulgated by the Director of the Department of Finance and Administration.

SECTION 3003. Arkansas Code § 26-53-203(c)(1), concerning tangible personal property, specified digital products, or digital code for which tax in another state has been paid, is amended to read as follows:

(c)(1) This subchapter does not apply in respect to the use, consumption, distribution, or storage of tangible personal property, specified digital products, or digital code as defined in this chapter for use or consumption in this state upon which a like tax equal to or greater than the amount imposed by this subchapter has been paid in another state, the proof of payment of the tax to be according to rules ~~and regulations~~ made by the director.

SECTION 3004. Arkansas Code § 26-55-101(b), concerning tax exemption refunds for United States Government vehicles, is amended to read as follows:

(b) When motor vehicle fuel upon which the tax has been paid is sold to any agent or employee of the United States Government for use in a motor vehicle belonging to the United States Government, and is used in its business exclusively, the wholesaler or dealer may not charge the consumer with the amount of the tax but may claim the refund of the tax under such ~~regulations~~ rules as the Director of the Department of Finance and Administration may prescribe.

SECTION 3005. Arkansas Code § 26-55-202(1)(F), concerning the definition of "bill of lading" under the Motor Fuel Tax Law, is amended to read as follows:

(F) Such other information or forms as the Director of the Department of Finance and Administration by ~~regulation~~ rule may adopt or require to implement the intent of this subchapter;

SECTION 3006. Arkansas Code § 26-55-204 is amended to read as follows:

26-55-204. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration shall prescribe and publish such rules ~~and regulations~~ as may be necessary for the enforcement of this subchapter.

SECTION 3007. Arkansas Code § 26-55-230(c), concerning the computation and payment of tax, is amended to read as follows:

(c) The director by ~~regulation~~ rule shall provide for the payment and collection of the motor fuel tax when it is due but which under the terms of this subchapter is not required to be remitted by a distributor.

SECTION 3008. Arkansas Code § 26-55-247(b), concerning confiscation and sale of equipment of persons transporting motor fuel unlawfully, is amended to read as follows:

(b) Unless the operator or owner of the tank truck or vehicle can prove to the satisfaction of the director at a hearing for that purpose within ten (10) days that the motor fuel was being transported, transferred, or delivered in accordance with this subchapter or any other act affecting the transportation of motor fuel, and in accordance with any ~~regulations~~ rules issued pursuant to this subchapter or any other act, the tank truck or vehicle and the contents therein shall be sold by the director at auction without any recourse or liability on the director or any of the director's agents or the State of Arkansas.

SECTION 3009. Arkansas Code § 26-55-403 is amended to read as follows:

26-55-403. Director's powers.

The Director of the Department of Finance and Administration shall have the authority to make, amend, and enforce ~~regulations~~ rules, to subpoena witnesses and documents, to administer oaths, and to do and perform all other acts the director shall deem necessary to carry out the purpose and intent of this subchapter.

SECTION 3010. Arkansas Code § 26-55-604 is amended to read as follows:

26-55-604. Rules ~~and regulations~~ — Audit assistance.

The Director of State Highways and Transportation shall prescribe and promulgate rules ~~and regulations~~ necessary for the proper enforcement of this subchapter with the advice of the Legislative Council, and in any audits

conducted by the Arkansas Department of Transportation relating to the Motor Fuel Tax Law, § 26-55-201 et seq., or the Special Motor Fuels Tax Law, § 26-56-101 et seq., or this subchapter or other pertinent laws, may call upon the Director of the Department of Finance and Administration for assistance.

SECTION 3011. Arkansas Code § 26-55-605(c)(3), concerning exceptions to import and export load permit requirements, is amended to read as follows:

(3)(A) The Director of State Highways and Transportation shall prescribe and publish such rules ~~and regulations~~ as may be necessary for the enforcement of this subchapter.

(B) The ~~regulations~~ rules shall provide that a licensed supplier or distributor upon demand may obtain a supply of prenumbered permits for use as required under this subchapter so long as the supplier or distributor has not been found in violation of this subchapter. However, each permit used must be accompanied by the relevant bill of lading when filed with the Director of State Highways and Transportation.

SECTION 3012. Arkansas Code § 26-55-606(a)(6), concerning the requirements of bills of lading, is amended to read as follows:

(6) Such other information or forms as the Director of State Highways and Transportation by ~~regulation~~ rule may adopt or require to implement the intent of this subchapter.

SECTION 3013. Arkansas Code § 26-55-705(c), concerning the requirement for a license for importing gasoline, is amended to read as follows:

(c) The applications must also contain, as a condition to the issuance of the license, an agreement by the applicant to comply with the requirements of the subchapter and the lawful rules ~~and regulations~~ of the director.

SECTION 3014. Arkansas Code § 26-55-706(a), concerning the bond of an applicant for the import of fuel in supply tanks, is amended to read as follows:

(a) Before any license application shall be approved by the Director of the Department of Finance and Administration, the applicant shall file a bond, with surety satisfactory to the director, payable to the State of Arkansas and conditioned upon the applicant's compliance with the provisions

of this subchapter and the rules ~~and regulations~~ of the director.

SECTION 3015. Arkansas Code § 26-55-710(h), concerning tax computation for quarterly mileage reports, is amended to read as follows:

(h) The director shall prescribe the appropriate forms necessary for the administration of this subchapter. The director may make appropriate rules ~~and regulations~~ necessary to ensure the accurate reporting of mileage traveled and gallons used and purchased by the licensed interstate users.

SECTION 3016. Arkansas Code § 26-55-714(d), concerning the tax refund procedure for interstate users, is amended to read as follows:

(d) The director is authorized to promulgate rules ~~and regulations~~ and to prescribe the necessary forms required for the administration of claims for tax refunds from interstate users of motor fuels in this state as authorized by law, which rules ~~and regulations~~ shall be in conformance with the following requirements:

(1) The director shall first determine with respect to each refund claim filed that the bond of the interstate user is adequate to compensate the State of Arkansas for any losses with respect to the recovery of any refunds illegally claimed by the interstate user, and the director may require the increase of the bond if the director determines it to be inadequate before approving any claim for refund;

(2) Each interstate user of motor fuels claiming refunds shall maintain adequate records to substantiate each claim for refund, and the director may reject any claim for refund if the director determines the applicant has not maintained adequate records or has not conformed to the rules ~~and regulations~~ of the department in filing the claim;

(3) Each claim for refund shall be upon the request of the interstate user, which shall be verified by the interstate user as to its accuracy and validity; and

(4)(A) Each quarterly report filed by a licensed interstate user of motor fuels with the department, shall reflect thereon the amount of motor fuels purchased for use in Arkansas during the quarter, the number of gallons of motor fuels upon which taxes are due the State of Arkansas for the quarter, and the excess gallonage upon which the interstate user is entitled to refunds.

(B) At the end of each calendar quarter, the licensed interstate user may make application for refund with respect to the number of gallons of motor fuels upon which the motor fuels taxes have been paid during the calendar quarter for which the interstate user is entitled to refund.

SECTION 3017. Arkansas Code § 26-55-901(1)(B), concerning the definition of "compartment" under the laws concerning vehicle tank inspections, is amended to read as follows:

(B) Otherwise, “compartment” means any one (1) of those subdivisions of a tank designed to hold petroleum products, unless otherwise provided by the Director of the Department of Finance and Administration by ~~regulations~~ rules adopted pursuant to § 26-55-903.

SECTION 3018. The introductory language of Arkansas Code § 26-55-902(a)(1), concerning penalties for violations of the laws concerning vehicle tank inspections, is amended to read as follows:

(a)(1) Any person who violates the provisions of this subchapter or the rules ~~or regulations~~ issued under this subchapter shall be guilty of a misdemeanor and for a:

SECTION 3019. Arkansas Code § 26-55-903(a)-(c), concerning the rules of the State Plant Board, are amended to read as follows:

(a) The Director of the State Plant Board shall have the power to adopt and, from time to time, to change by addition, amendment, or repeal reasonable rules ~~and regulations~~ consistent with law, for the enforcement of the provisions of this subchapter.

(b) The rules ~~and regulations~~ to the extent practicable shall be consistent with pertinent nationally recognized standards, methods, and tolerances.

(c) The ~~regulations~~ rules shall be applicable only to the extent that they are not in conflict with regulations or orders issued by an agency of the United States and shall be drawn with due consideration for the desirability of uniformity of the laws of the several states and the United States.

SECTION 3020. Arkansas Code § 26-55-1308 is amended to read as

follows:

26-55-1308. Director's powers.

The Director of the Department of Finance and Administration may make, amend, and enforce ~~regulations~~ rules, subpoena witnesses and documents, administer oaths, and do and perform all other acts necessary to carry out the purpose and intent of this subchapter.

SECTION 3021. Arkansas Code § 26-56-102(1)(F), concerning the definition of "bill of lading" under the Special Motor Fuels Tax Law, is amended to read as follows:

(F) Such other information or forms as the Director of the Department of Finance and Administration by ~~regulation~~ rule may adopt or require to implement the intent of this subchapter;

SECTION 3022. Arkansas Code § 26-56-104 is amended to read as follows:

26-56-104. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration is authorized and empowered to promulgate such rules ~~and regulations~~, not inconsistent with this chapter, as the director shall deem necessary and desirable to facilitate the collection of the taxes levied in this chapter and to otherwise effectuate the purposes of this chapter, and these rules ~~and regulations~~ shall have the same effect as if specifically set forth in this chapter.

SECTION 3023. Arkansas Code § 26-56-204(a)(1)(B)(iii), concerning licenses and bonds for suppliers and users, is amended to read as follows:

(iii) The director may promulgate such forms and ~~regulations~~ rules as may be necessary to ensure uniformity with federal usage of exemption certificates issued for nonhighway diesel purchases.

SECTION 3024. Arkansas Code § 26-56-214(i)(2), concerning reports of computation of tax and refunds for interstate users, is amended to read as follows:

(2) The director may make appropriate rules ~~and regulations~~ necessary to ensure the accurate reporting of the special motor fuel tax.

SECTION 3025. Arkansas Code § 26-56-215(d), concerning interstate users and tax refund procedures, is amended to read as follows:

(d) The director is authorized to promulgate rules ~~and regulations~~ and to prescribe the necessary forms required for the administration of claims for tax refunds from interstate users of special motor fuels in this state as authorized by law, which rules ~~and regulations~~ shall be in conformance with the following requirements:

(1) The director shall first determine, with respect to each refund claim filed, that the bond of the interstate user is adequate to compensate the State of Arkansas for any losses with respect to the recovery of any refunds illegally claimed by the interstate user, and the director may require the increase of the bond if the director determines it to be inadequate before approving any claim for refund;

(2) Each interstate user of motor fuels and special motor fuels claiming refunds shall maintain adequate records to substantiate each claim for refund, and the director may reject any claim for refund if the director determines the applicant has not maintained adequate records or has not conformed to the rules ~~and regulations~~ of the department in filing the claim therefor;

(3) Each claim for refund shall be upon the request of the interstate user, which shall be verified by the interstate user as to its accuracy and validity; and

(4)(A) Each quarterly report filed by a licensed interstate user of special motor fuels with the department shall reflect thereon the amount of special motor fuels purchased for use in Arkansas during the quarter, the number of gallons of special motor fuels upon which taxes are due the State of Arkansas for the quarter, and the excess gallonage upon which the interstate user is entitled to refunds.

(B) At the end of each calendar quarter, the licensed interstate user may make application for refund with respect to the number of gallons of special motor fuels upon which the special motor fuels taxes have been paid during the calendar quarter for which the interstate user is entitled to refund.

SECTION 3026. Arkansas Code § 26-56-217(b)(2)(D), concerning separate storage tanks for taxable distillate special fuel and for tax-free storage,

is amended to read as follows:

(D) The director may promulgate ~~regulations~~ rules to establish a system to periodically reconcile the taxable distillate special fuel purchased and actual taxable distillate special fuel used by the city or county.

SECTION 3027. Arkansas Code § 26-56-231 is amended to read as follows:

26-56-231. Rules ~~and regulations~~.

(a) The Director of the Department of Finance and Administration, in consultation with the Director of State Highways and Transportation, shall have the authority to make and promulgate rules ~~and regulations~~ to fully implement and enforce the provisions of §§ 26-56-223 — 26-56-230.

(b) Provisions shall be included in the rules ~~and regulations~~ to allow any user enumerated in § 26-56-225, upon proper notice and certification to the Director of the Department of Finance and Administration that dyed distillate special fuel is unavailable to that user at that time, to utilize untaxed, undyed distillate special fuel in motor vehicles belonging to the users.

SECTION 3028. Arkansas Code § 26-56-232(b), concerning electronic reports and electronic funds transfer, is amended to read as follows:

(b) The director shall also make and promulgate rules ~~and regulations~~ to ensure that the distributors, suppliers, and alternative fuel suppliers, beginning July 1, 1997, and thereafter, or beginning before that date, if possible, remit all taxes due the state pursuant to those tax laws by electronic funds transfer.

SECTION 3029. Arkansas Code § 26-56-303(b)(2), concerning licenses and bonds for liquefied gas special fuels suppliers and dealers, is amended to read as follows:

(2) The application must also contain as a condition to the issuance of the license an agreement under oath by the applicant to comply with the requirements of this subchapter and the rules ~~and regulations~~ of the director.

SECTION 3030. Arkansas Code § 26-56-303(c)(1), concerning licenses and

bonds for liquefied gas special fuels suppliers and dealers, is amended to read as follows:

(c)(1) Before an application may be approved by the director, the applicant shall file a bond with surety satisfactory to the director, payable to the State of Arkansas, and conditioned upon the applicant's compliance with the provisions of this subchapter and the rules ~~and regulations~~ of the director.

SECTION 3031. Arkansas Code § 26-56-304(d)(3), concerning liquefied gas special fuels users' permits, is amended to read as follows:

(3) The director shall establish ~~regulations~~ rules for computing the fees and for the enforcement of the collection thereof.

SECTION 3032. Arkansas Code § 26-56-308(a)(6), concerning reports and payment of tax by suppliers of liquefied gas special fuels sold or delivered, is amended to read as follows:

(6) Such other information as the director may require by ~~regulation~~ rule.

SECTION 3033. Arkansas Code § 26-56-708 is amended to read as follows:

26-56-708. Director's powers.

The Director of the Department of Finance and Administration may make, amend, and enforce ~~regulations~~ rules, subpoena witnesses and documents, administer oaths, and do and perform all other acts necessary to carry out the purpose and intent of this subchapter.

SECTION 3034. Arkansas Code § 26-57-224(b), concerning a vendor's bond, is amended to read as follows:

(b) The bond shall be conditioned upon the faithful performance of the duties and obligations imposed by this subchapter and the ~~regulations~~ rules promulgated by the Director of the Department of Finance and Administration.

SECTION 3035. Arkansas Code § 26-57-257(b), concerning the Director of Arkansas Tobacco Control, is amended to read as follows:

(b) The Director of Arkansas Tobacco Control shall present all evidence tending to prove violations of law, rules, or regulations at

hearings held by the Arkansas Tobacco Control Board.

SECTION 3036. Arkansas Code § 26-57-260(10)(B), concerning the definition of "units sold" under the Arkansas Tobacco Products Tax Act of 1977, is amended to read as follows:

(B) The Department of Finance and Administration shall promulgate such ~~regulations~~ rules as are necessary to ascertain the amount of state excise tax paid on the cigarettes of the tobacco product manufacturer for each year.

SECTION 3037. Arkansas Code § 26-57-801(d), concerning excise taxes under the Arkansas Tobacco Products Tax Act of 1977, is amended to read as follows:

(d) The director shall promulgate such ~~regulations~~ rules as the director deems necessary for the implementation of this section.

SECTION 3038. Arkansas Code § 26-57-1107 is amended to read as follows:

26-57-1107. ~~Regulations~~ Rules.

The Department of Finance and Administration is hereby authorized to promulgate ~~regulations~~ rules as necessary to implement the tax provisions of this subchapter.

SECTION 3039. Arkansas Code § 26-57-1204(d)(1), concerning the application, issuance, and display of decals under the Vending Devices Decal Act of 1997, is amended to read as follows:

(d)(1) The annual or special vending device decals and the application provided for herein shall be in such form as prescribed by the director. These decals and applications shall contain on their faces such information and descriptions as shall be required by ~~regulations~~ rules adopted by the director to properly and reasonably implement the provisions of this subchapter.

SECTION 3040. Arkansas Code § 26-57-1206(e)(2), concerning the annual decal fee or special decal in lieu of sales tax under the Vending Devices Decal Act of 1997, is amended to read as follows:

(2) By reasonable ~~regulations~~ rules the director shall establish the amount to be charged for an identifying decal, and the amount shall not exceed the cost of producing the identifying decals.

SECTION 3041. Arkansas Code § 26-57-1306(a)(3), concerning penalties and other remedies for violations of the tobacco Master Settlement Agreement, is amended to read as follows:

(3) For each violation, the board may also impose a civil penalty in an amount not to exceed the greater of five hundred percent (500%) of the retail value of the cigarettes or five thousand dollars ($5,000) upon a determination of a violation of § 26-57-1303(b) or of any ~~regulations~~ rules adopted under this subchapter.

SECTION 3042. Arkansas Code § 26-57-1307(d), concerning miscellaneous provisions under the tobacco Master Settlement Agreement, is amended to read as follows:

(d) Promulgation of ~~Regulations~~ Rules. The Attorney General, the Arkansas Tobacco Control Board, and the Department of Finance and Administration may promulgate ~~regulations~~ rules necessary to effect the purposes of this subchapter.

SECTION 3043. Arkansas Code § 26-58-105 is amended to read as follows:

26-58-105. ~~Regulations~~ Rules and forms regarding severance taxes on timber.

The Director of the Department of Finance and Administration with the advice and approval of the Arkansas Forestry Commission shall develop and adopt appropriate ~~regulations~~ rules and forms to carry out the intent and purposes of this subchapter with respect to severance taxes on timber.

SECTION 3044. Arkansas Code § 26-58-111(6)(C), concerning the severance tax rate of minerals, is amended to read as follows:

(C) The Director of the Department of Finance and Administration shall have the power to promulgate such reasonable rules ~~and regulations~~ as shall be necessary to effectively enforce the foregoing provisions;

SECTION 3045. Arkansas Code § 26-58-301(b)(2), concerning the tax levy for the benefit of the Arkansas Museum of Natural Resources Fund, is amended to read as follows:

(2) The taxes levied in this subsection shall be reported and remitted monthly to the Director of the Department of Finance and Administration on such forms and in such manner as the director shall prescribe by ~~regulations~~ rule.

SECTION 3046. Arkansas Code § 26-59-110 is amended to read as follows:

26-59-110. Estate tax returns — Contents.

The executor at such times and in such manner as may be required by ~~regulations~~ rules made pursuant to law shall also file with the Director of the Department of Finance and Administration a return under oath, setting forth:

(1) A description and the value of the gross estate of the decedent at the time of the decedent's death, as defined in the applicable federal revenue act, or in case of the estate of a decedent who at the time of death was not domiciled in the United States, of that part of the decedent's gross estate situated in the United States;

(2) The deductions allowable under this chapter;

(3) The value of the net estate of the decedent as defined in this chapter;

(4) A description and the value of such part of the real property and tangible personal property of the gross estate of a decedent who at the time of the decedent's death was a resident of the State of Arkansas as shall be located or situate, at the time of the decedent's death, without the State of Arkansas;

(5) A description and the value of such part of the real property and tangible personal property of the gross estate of a decedent who at the time of the decedent's death was a nonresident of the State of Arkansas but a resident of the United States as shall be located or situate, at the time of the decedent's death, within the State of Arkansas;

(6) A description and the value of real property situate and personal property having an actual situs in this state and intangible personal property physically present within this state of the estate of a decedent who at the time of the decedent's death was not a resident of the

United States; and

(7) The tax paid or payable thereon and the manner of computing the tax, or such part of such information as may at the time be ascertainable and such supplemental data as may be necessary to determine and establish the correct tax.

SECTION 3047. Arkansas Code § 26-59-112 is amended to read as follows:

26-59-112. Director to make return when no return filed.

If any executor, administrator, fiduciary, trustee, person, corporation, company, or association fails to make and file a return or list at the time prescribed by law or by ~~regulation~~ rule made under authority of law, or makes, willfully or otherwise, a false or fraudulent return or list, the Director of the Department of Finance and Administration shall make the return or list from the director's own knowledge and from such information as the director can obtain through testimony or otherwise. Any return or list so made by the director shall be prima facie good and sufficient for all legal purposes.

SECTION 3048. Arkansas Code § 26-60-103 is amended to read as follows:

26-60-103. Enforcement and ~~regulations~~ rule by Director of the Department of Finance and Administration.

The enforcement of the provisions of this chapter shall be the responsibility of the Director of the Department of Finance and Administration under ~~regulations~~ rules to be promulgated by the director.

SECTION 3049. Arkansas Code § 26-60-104 is amended to read as follows:

26-60-104. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration is authorized to promulgate rules ~~and regulations~~ to carry out the purposes of this chapter which shall be submitted to the:

(1) House Interim Committee on City, County, and Local Affairs and the Senate Interim Committee on City, County, and Local Affairs; or

(2) House Committee on City, County, and Local Affairs and the Senate Committee on City, County, and Local Affairs.

SECTION 3050. Arkansas Code § 26-62-104 is amended to read as follows:

26-62-104. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration is authorized and empowered in consultation with the Director of State Highways and Transportation of the Arkansas Department of Transportation to make and promulgate such rules ~~and regulations~~ not inconsistent with this chapter as they shall deem necessary and desirable to facilitate the collection of the taxes levied in this chapter and to otherwise effectuate the purposes of this chapter, and these rules ~~and regulations~~ shall have the same effect as if specifically set forth in this chapter.

SECTION 3051. Arkansas Code § 26-62-202(a)(3), concerning the collection and payment of tax paid by alternative fuels suppliers, is amended to read as follows:

(3) Used in any motor vehicle owned or operated by that alternative fuels supplier. The Director of the Department of Finance and Administration shall make and promulgate rules ~~and regulations~~ for a system for recordkeeping requirements to be kept by such suppliers in fulfilling this subdivision (a)(3).

SECTION 3052. Arkansas Code § 26-62-203(c)(2)(E), concerning separate meters for taxable natural gas fuels and residential or other tax-free natural gas, is amended to read as follows:

(E) Any other information required by the director pursuant to rules ~~and regulations~~ of the director.

SECTION 3053. Arkansas Code § 26-62-205(e)(1), concerning sales tickets for alternative fuels suppliers, is amended to read as follows:

(e)(1) The Director of the Department of Finance and Administration, in consultation with the Director of State Highways and Transportation shall promulgate rules ~~and regulations~~ regarding an alternative to the required usage of sales tickets for all sales of natural gas fuels made by alternative fuels suppliers by separate meter as provided in § 26-62-203.

SECTION 3054. Arkansas Code § 26-62-207(e), concerning records required, invoices, and falsification of records under the Arkansas Tax Procedure Act, is amended to read as follows:

(e) All sales to users made pursuant to § 26-62-203 shall not require the carriage of an invoice by the user, provided that the director shall provide by ~~regulation~~ rule another means of providing an indication that the tax on the fuel being utilized to propel the motor vehicle will ultimately be paid by the user to the alternative fuels supplier, who is required to remit such tax to the director.

SECTION 3055. Arkansas Code § 26-62-209(i), concerning interstate users' and IFTA carrier users' computation of tax and refunds, is amended to read as follows:

(i) The director shall prescribe the appropriate forms necessary for the administration of this chapter. The director may make appropriate rules ~~and regulations~~ necessary to ensure the accurate reporting of the alternative fuels tax.

SECTION 3056. Arkansas Code § 26-62-210(d), concerning the tax refund procedure for Interstate users and IFTA carrier users, is amended to read as follows:

(d) The Director of the Department of Finance and Administration in consultation with the Director of State Highways and Transportation is authorized to promulgate rules ~~and regulations~~ and to prescribe the necessary forms required for the administration of claims for tax refunds from licensed interstate users or licensed IFTA carrier users of alternative fuels in this state as authorized by law, which rules ~~and regulations~~ shall be in conformance with the following requirements:

(1) The Director of the Department of Finance and Administration shall first determine with respect to each refund claim filed that the bond of the interstate user or IFTA carrier user is adequate to compensate the State of Arkansas for any losses with respect to the recovery of any refunds illegally claimed by such user, and the Director of the Department of Finance and Administration may require the increase of the bond if the Director of the Department of Finance and Administration determines it to be inadequate before approving any such claim for refund;

(2) Each licensed interstate user or licensed IFTA carrier user of alternative fuels claiming refunds shall maintain adequate records to substantiate each claim for refund, and the Director of the Department of

Finance and Administration may reject any claim for refund if the Director of the Department of Finance and Administration determines the applicant has not maintained adequate records or has not conformed to the rules ~~and regulations~~ of the Department of Finance and Administration in filing the claim therefor;

(3) Each claim for refund must be upon the request of the licensed interstate user or licensed IFTA carrier user, which shall be verified by such user as to its accuracy and validity;

(4)(A) Each quarterly report filed by a licensed interstate user or licensed IFTA carrier user of alternative fuels with the Department of Finance and Administration shall reflect thereon the amount of alternative fuels purchased for use in Arkansas during the quarter, the number of equivalent gallons of alternative fuels upon which taxes are due the State of Arkansas for the quarter, and the excess equivalent gallons upon which such user is entitled to refunds.

(B) At the end of each calendar quarter, the licensed interstate user or licensed IFTA carrier user may apply for a refund with respect to the number of equivalent gallons of alternative fuels upon which the alternative fuels taxes have been paid during the calendar quarter for which the licensed interstate user or licensed IFTA carrier user is entitled to a refund; and

(5) The Director of the Department of Finance and Administration is authorized to promulgate any such rules ~~or regulations~~ the Director of the Department of Finance and Administration deems desirable in consultation with the Director of State Highways and Transportation regarding refunds to licensed interstate users and IFTA carrier users.

SECTION 3057. Arkansas Code § 26-62-212(a), concerning the power to stop, investigate, and impound vehicles, is amended to read as follows:

(a) In order to enforce the provisions of this chapter, the Director of the Department of Finance and Administration or his or her authorized representative is empowered to stop any motor vehicle which appears to be operating with alternative fuels for the purpose of examining the invoices or other documents required by this chapter, or by ~~regulation~~ rule, and for such other investigative purposes reasonably necessary to determine whether the taxes imposed by this chapter have been paid or whether the vehicle is being operated in compliance with the provisions of this chapter.

SECTION 3058. Arkansas Code § 26-62-214(b), concerning the conversion of vehicles for use of alternative fuels, is amended to read as follows:

(b) The converting or equipping of a vehicle for natural gas propulsion shall be in compliance with rules ~~and regulations~~ to be made and promulgated by the director.

SECTION 3059. Arkansas Code § 26-63-104(c), concerning administration by the Director of the Department of Finance and Administration, is amended to read as follows:

(c) Except as otherwise provided in this chapter, any law~~,~~ or rule~~, or regulation~~ relating to the administration, enforcement, or collection of a tax levied under the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., applies to this chapter if it is applicable.

SECTION 3060. Arkansas Code § 26-73-107 is amended to read as follows:

26-73-107. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration shall promulgate reasonable rules ~~and regulations~~ not inconsistent with the provisions of this subchapter to implement the enforcement, administration, and collection of the taxes authorized in this subchapter.

SECTION 3061. Arkansas Code § 26-74-215 is amended to read as follows:

26-74-215. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration may promulgate reasonable rules ~~and regulations~~ not inconsistent with the provisions of this subchapter to implement the administration, collection, enforcement, and operation of the taxes authorized in this subchapter.

SECTION 3062. Arkansas Code § 26-74-312(c)(1), concerning the administration and collection of a tax, is amended to read as follows:

(c)(1) The tax imposed under this subchapter and the tax imposed under the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., shall be collected together and reported upon such forms and under such administrative rules ~~and regulations~~ as may be prescribed by the director not inconsistent with the provisions of this subchapter.

SECTION 3063. Arkansas Code § 26-74-314 is amended to read as follows:

26-74-314. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration may promulgate reasonable rules ~~and regulations~~ not inconsistent with the provisions of this subchapter to implement the enforcement, administration, and collection of the taxes authorized in this subchapter.

SECTION 3064. Arkansas Code § 26-74-410 is amended to read as follows:

26-74-410. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration may promulgate reasonable rules ~~and regulations~~ not inconsistent with the provisions of this subchapter to implement the administration, collection, enforcement, and operation of the taxes authorized in this subchapter.

SECTION 3065. Arkansas Code § 26-74-503(b)(2), concerning payment and collection by an advertising and promotion commission, is amended to read as follows:

(2) The rules, ~~regulations,~~ forms of notice, assessment procedures, and the enforcement and collection of the tax under the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., so far as practicable shall be applicable with respect to the enforcement and collection of the tax levied pursuant to the authority of this subchapter. However, the administration and enforcement and all actions shall be by and in the name of the advertising and promotion commission through the proper advertising and promotion commission officials or agents.

SECTION 3066. Arkansas Code § 26-74-610 is amended to read as follows:

26-74-610. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration may promulgate reasonable rules ~~and regulations~~ not inconsistent with the provisions of this subchapter to implement the administration, collection, enforcement, and operation of the taxes authorized in this subchapter.

SECTION 3067. Arkansas Code § 26-75-214(c)(1), concerning the administration and collection of a tax, is amended to read as follows:

(c)(1) The tax imposed under this subchapter and the tax imposed under the gross receipts tax and compensating tax shall be collected together and reported upon such forms and under such administrative rules ~~and regulations~~ as may be prescribed by the director not inconsistent with the provisions of this subchapter.

SECTION 3068. Arkansas Code § 26-75-218 is amended to read as follows:

26-75-218. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration may promulgate reasonable rules ~~and regulations~~ not inconsistent with the provisions of this subchapter to implement the enforcement, administration, and collection of the taxes authorized in this subchapter.

SECTION 3069. Arkansas Code § 26-75-314 is amended to read as follows:

26-75-314. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration may promulgate reasonable rules ~~and regulations~~ not inconsistent with the provisions of this subchapter to implement the enforcement, administration, and collection of the taxes authorized in this subchapter.

SECTION 3070. Arkansas Code § 26-75-316(b) and (c), concerning the excise tax on storage, use, or other consumption, are amended to read as follows:

(b) The use tax portion of the local sales and use tax shall be collected according to the terms, procedures, and ~~regulations~~ rules of the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq., except as otherwise provided.

(c) The tax imposed under this subchapter and the tax imposed under the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq. and Arkansas Compensating Tax Act of 1949 § 26-53-101 et seq., shall be collected together and reported upon such forms and under such administrative rules ~~and regulations~~ as may be prescribed by the Director of the Department of Finance and Administration not inconsistent with the provisions of this subchapter.

SECTION 3071. Arkansas Code § 26-75-410 is amended to read as follows:

26-75-410. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration shall adopt appropriate rules ~~and regulations~~ not inconsistent with the provisions of this subchapter to implement the enforcement, administration, and collection of the taxes authorized in this subchapter.

SECTION 3072. Arkansas Code § 26-75-502(b), concerning the authority to levy a tax, is amended to read as follows:

(b) Rules ~~and regulations~~ promulgated by the Director of the Department of Finance and Administration for the State of Arkansas in connection with the collection and administration of the state gross receipts tax shall be equally applicable with respect to any tax levied under this subchapter.

SECTION 3073. Arkansas Code § 26-75-603(b)(1), concerning the collection of a tax levied by the Arkansas Gross Receipts Act of 1941, is amended to read as follows:

(b)(1) The person paying the tax shall report and remit it upon forms provided by the commission and as directed by the commission. The rules, ~~regulations,~~ forms of notice, assessment procedures, and the enforcement and collection of the tax under the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq. and the Arkansas Tax Procedure Act, § 26-18-101 et seq., so far as practicable shall be applicable with respect to the enforcement and collection of the tax levied pursuant to the authority of this subchapter.

SECTION 3074. Arkansas Code § 26-75-704(b), concerning the collection and administration of taxes, is amended to read as follows:

(b) The person paying the tax shall report and remit the tax upon forms provided by the city, and as directed by the city, and the rules, ~~regulations,~~ forms of notice, assessment procedures, and the enforcement and collection of the tax under the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., so far as practicable shall be applicable with respect to the enforcement and collection of the tax levied pursuant to the authority of this subchapter. However, the administration and enforcement and all actions shall be by and in the name of the city through the proper city officials.

SECTION 3075. Arkansas Code § 26-81-109 is amended to read as follows:

26-81-109. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration may promulgate reasonable rules ~~and regulations~~ not inconsistent with the provisions of this chapter to implement the administration, collection, enforcement, and operation of the taxes authorized in this chapter.

SECTION 3076. Arkansas Code § 27-1-107 is amended to read as follows:

27-1-107. Rules ~~and regulations~~ — Reorganization.

The Arkansas Department of Transportation shall adopt and promulgate reasonable rules ~~and regulations~~ and reorganize as necessary to carry out the responsibilities delegated to it under this chapter.

SECTION 3077. Arkansas Code § 27-2-102(1)(B) and (C), concerning the definition of "a label which provides an adequate warning" under the Hazardous Materials Transportation Act of 1977, are amended to read as follows:

(B) Standards established by the Arkansas Pesticide Control Act, § 2-16-401 et seq., and ~~regulations~~ rules adopted pursuant to it affirmatively requiring the use of a label on containers of hazardous materials;

(C) Standards established by the Arkansas Department of Transportation, by ~~regulation~~ rule, with reference to labeling of containers of hazardous materials; or

SECTION 3078. Arkansas Code § 27-2-102(2)(E), concerning the definition of "adequate emergency equipment" under the Hazardous Materials Transportation Act of 1977, is amended to read as follows:

(E) Otherwise required, by ~~regulation~~ rule, by the department;

SECTION 3079. Arkansas Code § 27-2-102(3), concerning the definition of "adequate immediate container" under the Hazardous Materials Transportation Act of 1977, is amended to read as follows:

(3) “Adequate immediate container” means an immediate container which meets all applicable standards established by the laws of the United States, or by any agency of the United States by regulation in effect on

March 15, 1977, or by the department, by ~~regulation~~ rule, with reference to the adequacy of such a container to contain the materials within it. In the absence of applicable standards, an “adequate immediate container” means a container designed and constructed so as to contain the items or substances within it without escape during any customary or reasonably foreseeable handling or use during transportation;

SECTION 3080. Arkansas Code § 27-2-102(6)(A)(viii), concerning the definition of "hazardous material" under the Hazardous Materials Transportation Act of 1977, is amended to read as follows:

(viii) Has been defined as such by the department, by ~~regulation~~ rule.

SECTION 3081. Arkansas Code § 27-2-103(a)(6), concerning prohibited acts and exceptions under the Hazardous Materials Transportation Act of 1977, is amended to read as follows:

(6) Violate any ~~regulation~~ rule promulgated by the State Highway Commission pursuant to this chapter.

SECTION 3082. Arkansas Code § 27-2-106(a), concerning additional rules authority under the Hazardous Materials Transportation Act of 1977, is amended to read as follows:

(a)(1) In addition to the specific authority granted to the Arkansas Department of Transportation by this chapter to define terms and impose additional requirements, by ~~regulation~~ rule, the department shall have the authority to promulgate additional ~~regulations~~ rules, in the manner provided by law, in furtherance of this chapter.

(2) These ~~regulations~~ rules may include, but are not limited to, the establishment of reasonable safeguards in the transportation of hazardous materials, including, as the department finds appropriate, the use of escort vehicles and the temporary prohibition of transportation of hazardous materials during unsafe conditions, the establishment of a system requiring notification of public authorities prior to transportation of hazardous materials, the adoption by reference of laws or regulations of the United States, and the maintenance of records.

SECTION 3083. Arkansas Code § 27-2-106(c), concerning additional rules authority under the Hazardous Materials Transportation Act of 1977, is amended to read as follows:

(c) All portions of this chapter, except this section, shall be fully operable and effective without the enactment of ~~regulations~~ rules by the department.

SECTION 3084. Arkansas Code § 27-2-108 is amended to read as follows:

27-2-108. Conformity with Arkansas Administrative Procedure Act.

All rules ~~and regulations~~ proposed and adopted by the Arkansas Department of Transportation under this chapter and all other actions of the department taken under the authority and responsibility prescribed in this chapter shall be in conformity with the provisions of the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

SECTION 3085. Arkansas Code § 27-3-103(d), concerning the powers of the Arkansas Public Transportation Coordination Council, is amended to read as follows:

(d) The Arkansas Public Transportation Coordination Council shall have the power to prescribe and issue, pursuant to the Arkansas Administrative Procedure Act, § 25-15-201 et seq., such reasonable rules ~~and regulations~~ as may be necessary to carry out the provisions of this chapter.

SECTION 3086. Arkansas Code § 27-14-504(c), concerning the proportionate refund of registration fees authorized, is amended to read as follows:

(c) The director is authorized to promulgate such rules ~~and regulations~~ as may be necessary to effectuate the terms of this section.

SECTION 3087. Arkansas Code § 27-14-601(a)(3)(H)(viii), concerning fees for registration and licensing of motor vehicles, is amended to read as follows:

(viii) The director shall promulgate such rules ~~and regulations~~ as may be necessary to carry out the intent of this classification and prevent abuse thereof. However, before any such rules ~~or regulations~~ shall be effective, they shall be approved by majority action of

the members of the State Highway Commission acting for and in behalf of the Arkansas Highway Police Division of the Arkansas Department of Transportation, which is the agency charged with the principal responsibility of enforcing the motor vehicle license laws of this state.

SECTION 3088. Arkansas Code § 27-14-601(a)(3)(J)(i), concerning fees for registration and licensing of motor vehicles, is amended to read as follows:

(J)(i) The director shall cause to be issued special and distinctive license plates for vehicles licensed under Class Two — Class Seven in this section, which are utilized as wreckers or tow vehicles and that hold a permit issued by the Arkansas Towing and Recovery Board under § 27-50-1203 and the rules ~~and regulations~~ promulgated thereunder.

SECTION 3089. Arkansas Code § 27-14-608(a), concerning payment by credit card for vehicle registration, is amended to read as follows:

(a) The Director of the Department of Finance and Administration is authorized to promulgate ~~regulations~~ rules providing for payment by credit card of any fees or taxes due upon the issuance or renewal of a vehicle registration, except a vehicle registration issued or renewed under the provisions of § 27-14-601(a)(3)(B)-(H) or the provisions of § 27-14-601(a)(3)(I)(i)(a)(2)-(4) . The director may allow the payment of these fees or taxes by credit card if the director determines that payment by credit card would facilitate the administration of the motor vehicle registration program.

SECTION 3090. The introductory language of Arkansas Code § 27-14-613(b)(1), concerning the Arkansas Motor Carrier System, is amended to read as follows:

(b)(1) The Director of the Department of Finance and Administration shall promulgate rules~~, regulations,~~ and procedures to enhance the Arkansas Motor Carrier System developed by the Department of Finance and Administration by allowing:

SECTION 3091. Arkansas Code § 27-14-701(b), concerning registration requirements for vehicles driven on the highway, is amended to read as

follows:

(b) When an application accompanied by the proper fee has been made for registration and certificate of title for a vehicle, the vehicle may be operated temporarily pending complete registration upon displaying a duplicate application, duly verified, or other evidence of the application or otherwise under rules ~~and regulations~~ promulgated by the Director of the Department of Finance and Administration.

SECTION 3092. Arkansas Code § 27-14-709 is amended to read as follows:

27-14-709. Half-year license.

Notwithstanding any provision of law to the contrary, any motor vehicle for which the annual registration and licensing fee is one hundred dollars ($100) or more, for any twelve-month licensing period, may be licensed for the first six (6) months of the annual licensing period, upon payment of one-half (½) of the annual registration and licensing fee, plus an additional fee of five dollars ($5.00) to defray the administrative cost of issuing the half-year license, under such ~~regulations~~ rules as the Director of the Department of Finance and Administration may promulgate.

SECTION 3093. Arkansas Code § 27-14-722 is amended to read as follows:

27-14-722. Change of engines.

The Office of Motor Vehicle may adopt and enforce such registration rules ~~and regulations~~ as are necessary and compatible with the public interest with respect to the change or substitution of one engine in place of another in any motor vehicle.

SECTION 3094. Arkansas Code § 27-14-902(a)(3)(A), concerning the transfer or assignment of a registered vehicle by owner or lessee, is amended to read as follows:

(3)(A) The owner or lessee may have the plate or plates assigned to another vehicle upon payment of the fees required by law and subject to the rules ~~and regulations~~ of the Office of Motor Vehicle.

SECTION 3095. Arkansas Code § 27-14-914(b), concerning the transfer of license plates and registration from one vehicle to another, is amended to read as follows:

(b) The director shall provide suitable forms to enable owners electing to do so to transfer license plate or plates and registration and make payment of the fee provided in this section and shall be empowered to make reasonable rules ~~and regulations~~ governing these transfers.

SECTION 3096. Arkansas Code § 27-14-1002(a)(6), concerning the definition of "tab or decal" under the Permanent Automobile Licensing Act of 1967, is amended to read as follows:

(6) “Tab or decal” is an attachable material of such form and substance as the Director of the Department of Finance and Administration may prescribe by rule ~~or regulation~~.

SECTION 3097. Arkansas Code § 27-14-1004(a), concerning penalties under the Permanent Automobile Licensing Act of 1967, is amended to read as follows:

(a) Any person failing to comply with the provisions of this subchapter by operating a passenger motor vehicle, as set forth and described in § 27-14-1002(a), or by operating a Class One truck, as set forth and described in § 27-14-1002(a), which is subject to registration under the laws of this state on any street, road, or highway in the State of Arkansas without having first registered the motor vehicle with the Office of Motor Vehicle, in the manner and within the period required by law or ~~regulations~~ rules of the Director of the Department of Finance and Administration, shall be required to pay a penalty of three dollars ($3.00) for each ten (10) days, or fraction thereof, for which he or she fails properly to register the vehicle until the penalty reaches the same amount as the annual license fee of the vehicle to be registered.

SECTION 3098. Arkansas Code § 27-14-1009(d), concerning the issuance of special personalized license plates under the Permanent Automobile Licensing Act of 1967, is amended to read as follows:

(d) The director may adopt ~~regulations~~ rules concerning the issuance of a special personalized license plate.

SECTION 3099. Arkansas Code § 27-14-1020 is amended to read as follows:

27-14-1020. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration shall promulgate such reasonable rules ~~and regulations~~ and prescribe such forms as are necessary for the proper enforcement of this subchapter.

SECTION 3100. Arkansas Code § 27-14-1104 is amended to read as follows:

27-14-1104. Rules ~~and regulations~~.

(a) The Director of the Department of Finance and Administration is authorized to promulgate rules ~~and regulations~~ regarding the maximum and minimum number of letters, numbers, or symbols on special personalized prestige license plates issued under this subchapter.

(b) The director may also promulgate such other rules ~~and regulations~~ as shall be deemed necessary or desirable for effectively carrying out the intent and purposes of this subchapter and the laws of this state relative to the regulation and licensing of motor vehicles.

SECTION 3101. Arkansas Code § 27-14-1202(a)(1), concerning the definition of "decal" under the Permanent Trailer Licensing Act of 1979, is amended to read as follows:

(1) “Decal” means an attachable material of such form and substance as the Director of the Department of Finance and Administration may prescribe by rule ~~or regulation~~;

SECTION 3102. Arkansas Code § 27-14-1218 is amended to read as follows:

27-14-1218. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration shall promulgate such reasonable rules ~~and regulations~~ and prescribe such forms as are necessary for the proper enforcement of this subchapter.

SECTION 3103. Arkansas Code § 27-14-1301(a), concerning penalties regarding licensing of trucks and trailers, is amended to read as follows:

(a) Every person who violates or who procures, aids, or abets violation of any of the provisions of this subchapter and any person who refuses or fails to obey any order, decision, or rule~~, or regulation~~ made

under or pursuant to this subchapter shall be deemed guilty of a misdemeanor.

SECTION 3104. Arkansas Code § 27-14-1304 is amended to read as follows:

27-14-1304. Rules ~~and regulations~~.

(a)(1) The Director of the Department of Finance and Administration shall promulgate rules ~~and regulations~~ and prescribe forms for the proper enforcement of this subchapter.

(2) The rules~~, regulations,~~ and forms shall be dated and issued under a systematic method of numbering.

(b)(1) A complete file of all rules~~, regulations,~~ and forms shall be kept in the office of the director.

(2) Copies of the rules~~, regulations,~~ and forms shall be made available to any person requesting them.

SECTION 3105. Arkansas Code § 27-14-1306(b), concerning commercial vehicle temporary license plates, is amended to read as follows:

(b) The Chief Fiscal Officer of the State is authorized to promulgate such rules ~~and regulations~~ as he or she deems necessary for the proper enforcement of this section.

SECTION 3106. Arkansas Code § 27-14-1808 is amended to read as follows:

27-14-1808. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration is authorized to promulgate such rules ~~and regulations~~ as he or she deems necessary for the proper enforcement of this subchapter.

SECTION 3107. Arkansas Code § 27-14-1905 is amended to read as follows:

27-14-1905. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration is authorized to promulgate rules ~~and regulations~~ consistent with the provisions of this subchapter.

SECTION 3108. Arkansas Code § 27-14-2105 is amended to read as

follows:

27-14-2105. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration is authorized to promulgate such rules ~~and regulations~~ as he or she deems necessary for the proper enforcement of this subchapter.

SECTION 3109. Arkansas Code § 27-14-2307 is amended to read as follows:

27-14-2307. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration shall promulgate necessary rules ~~and regulations~~ for the proper enforcement and administration of this subchapter.

SECTION 3110. Arkansas Code § 27-15-314(a)(2), concerning parking spaces by private agencies, is amended to read as follows:

(2) Private businesses that provide parking access intended for use by the public that are constructed after January 1, 1992, and private businesses that undertake significant physical modifications or alterations of their premises after January 1, 1992, shall provide parking spaces in such number and otherwise in accordance with the standards set forth in ~~regulations~~ rules promulgated by the Department of Finance and Administration that would be consistent with Pub. L. No. 100-641 and rules issued pursuant thereto by the Secretary of Transportation.

SECTION 3111. Arkansas Code § 27-15-2404 is amended to read as follows:

27-15-2404. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration shall make such rules ~~and regulations~~ as are necessary to ascertain compliance with all state license laws relating to the use and operation of motor vehicles before issuing the special plates under this subchapter in lieu of the regular license plates.

SECTION 3112. Arkansas Code § 27-15-3103 is amended to read as follows:

27-15-3103. ~~Regulations~~ Rules.

The Department of Finance and Administration shall promulgate ~~regulations~~ rules necessary to implement this subchapter.

SECTION 3113. Arkansas Code § 27-15-4908 is amended to read as follows:

27-15-4908. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration shall promulgate reasonable rules ~~and regulations~~ and prescribe forms as the director determines to be necessary for effectively and efficiently carrying out the intent and purposes of this subchapter.

SECTION 3114. Arkansas Code § 27-15-5102(c), concerning the design of the Arkansas State Golf Association special license plates, is amended to read as follows:

(c) The director shall promulgate reasonable rules ~~and regulations~~ and prescribe any forms as the director determines to be necessary to carry out the intent and purposes of this subchapter.

SECTION 3115. Arkansas Code § 27-16-701(g), concerning application for a license or instruction permit and restricted permits, is amended to read as follows:

(g) The Department of Finance and Administration shall have the power to promulgate rules ~~and regulations~~ to carry out the intent of this section and shall distribute to each public, private, and parochial school and each adult education program a copy of all rules ~~and regulations~~ adopted under this section.

SECTION 3116. Arkansas Code § 27-16-907(g), concerning the suspension or revocation of licenses, is amended to read as follows:

(g) The director may promulgate rules ~~and regulations~~ for the administration of this section.

SECTION 3117. Arkansas Code § 27-16-909(e), concerning the suspension or revocation of a license for the inability to drive, is amended to read as follows:

(e) The director may promulgate rules ~~and regulations~~ for the orderly

and efficient administration of this section.

SECTION 3118. Arkansas Code § 27-18-101(a)(2), concerning establishing a driver education program, is amended to read as follows:

(2) In connection therewith, the commission shall promulgate reasonable rules ~~and regulations~~, not inconsistent with law, for furthering the driver education program as authorized by this chapter.

SECTION 3119. Arkansas Code § 27-19-402 is amended to read as follows:

27-19-402. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration may make rules ~~and regulations~~ necessary for the administration of this chapter.

SECTION 3120. Arkansas Code § 27-20-107(d)(1)(B), concerning application for and issuance of a motorcycle operator's license, is amended to read as follows:

(B) The office shall have the authority, by ~~regulation~~ rule, to shorten or lengthen the term of any motorcycle operator's license period, as necessary, and to make a pro rata adjustment of the fee charged.

SECTION 3121. Arkansas Code § 27-20-108(b)(1), concerning the examination for a motorcycle operator's license, is amended to read as follows:

(1) A written examination designed to determine the applicant's knowledge of traffic laws, ordinances, rules, and regulations and other matters necessary to determine the applicant's knowledge of the operation of these motor vehicles;

SECTION 3122. Arkansas Code § 27-20-111(a), concerning the regulation and operation of motorized bicycles, is amended to read as follows:

(a) The operators of motorized bicycles shall be subject to all state and local traffic laws, ordinances, rules, and regulations.

SECTION 3123. Arkansas Code § 27-20-114 is amended to read as follows:

27-20-114. Rules ~~and regulations~~.

The Department of Finance and Administration is authorized to adopt

such rules ~~and regulations~~ and practices not inconsistent with this subchapter as it deems necessary or appropriate to carry out the purposes of this subchapter.

SECTION 3124. Arkansas Code § 27-20-208 is amended to read as follows:

27-20-208. ~~Regulations~~ Rules.

The Director of the Department of Finance and Administration may promulgate such rules ~~and regulations~~ as necessary to implement this subchapter.

SECTION 3125. Arkansas Code § 27-22-107(a)(1), concerning motor vehicle insurance reporting, is amended to read as follows:

(a)(1) Each insurance company providing motor vehicle liability insurance coverage required under § 27-22-104(a), shall provide before the seventh day of each calendar month to the Revenue Division of the Department of Finance and Administration a record of each motor vehicle insurance policy in effect as of the previous month that was issued by the insurance company. The reports shall be provided to the division through any means of electronic or electromagnetic medium available to and approved by the department, unless the insurance company qualifies for an exception to this electronics reporting requirement as a result of being a small or low-volume insurer as may otherwise be provided for under ~~regulations~~ rules promulgated by the Department of Finance and Administration.

SECTION 3126. Arkansas Code § 27-22-107(a)(2)(C), concerning motor vehicle insurance reporting, is amended to read as follows:

(C) At the discretion of the department, rules ~~and regulations~~ may be established to offer insurers who write fewer policies an alternative method for reporting insurance policy data.

SECTION 3127. Arkansas Code § 27-22-107(c) and (d), concerning motor vehicle insurance reporting, are amended to read as follows:

(c) The department may, following procedures set forth in ~~regulations~~ rules promulgated by the department, assess a penalty against each insurance company of up to two hundred fifty dollars ($250) for each day the insurance company fails to comply with this section. If an insurance company shows that

the failure to comply with this section was inadvertent, accidental, outside of the control of the company, or the result of excusable neglect, the Director of the Department of Finance and Administration may excuse the penalty. The moneys collected from these penalties shall be deposited as a special revenue into the State Central Services Fund, and the net amount shall be credited as a direct revenue to be used by the department to offset the costs of administering this section.

(d) The department shall promulgate necessary rules ~~and regulations~~ for the administration of this section.

SECTION 3128. Arkansas Code § 27-22-203(a)(2), concerning the online insurance verification system, is amended to read as follows:

(2) Develop a guide for insurers providing data and other information necessary for compliance along with other necessary ~~regulations~~ rules;

SECTION 3129. Arkansas Code § 27-22-206(a)(10), concerning the responsibilities of the Department of Finance and Administration, is amended to read as follows:

(10) Administer and enforce this subchapter and propose reasonable rules ~~and regulations~~ concerning any matter administered in this subchapter;

SECTION 3130. Arkansas Code § 27-22-207(4), concerning exemptions to motor vehicle liability insurance requirements, is amended to read as follows:

(4) Inoperable or stored motor vehicles that are not operated, as defined by the rules ~~and regulations~~ of the Department of Finance and Administration and not subject to the provisions of this subchapter;

SECTION 3131. Arkansas Code § 27-23-119 is amended to read as follows:

27-23-119. Exemption regulations.

In the event that it shall be determined by federal regulation that certain classes of drivers shall be exempt from the application of the Commercial Motor Vehicle Safety Act of 1986, Pub. L. No. 99-570, Title XII, the State Highway Commission shall have the authority to and shall promulgate

rules ~~and regulations~~ to exempt those certain classes of drivers from the application of this subchapter.

SECTION 3132. Arkansas Code § 27-23-120 is amended to read as follows:

27-23-120. Rulemaking authority.

The Office of Driver Services and the Department of Arkansas State Police shall have the authority to adopt rules ~~and regulations~~ after consulting with, and with the concurrence of, the State Highway Commission and the Arkansas Highway Police Division of the Arkansas Department of Transportation, necessary to carry out the provisions of this subchapter.

SECTION 3133. Arkansas Code § 27-24-1205(d), concerning the design and approval procedure for a special license plate, is amended to read as follows:

(d) The director shall promulgate reasonable rules ~~and regulations~~ and prescribe the forms necessary for effectively carrying out the intent and purposes of this subchapter.

SECTION 3134. Arkansas Code § 27-35-112(c), concerning towing vehicles licensed in other states, is amended to read as follows:

(c) The Arkansas Towing and Recovery Board may promulgate rules ~~and regulations~~ for the enforcement of this section, including the imposition of civil penalties as set forth in § 27-50-1204.

SECTION 3135. Arkansas Code § 27-35-203(g)(1)(C), concerning single and tandem axle load limits, is amended to read as follows:

(C) Vehicles, or combinations of vehicles, used exclusively for hauling solid waste, as defined by ~~regulations~~ <u>rules</u> promulgated by the commission, shall be permitted an eight percent (8%) variance above the allowable gross weight whenever the formula in subsection (e) of this section is applied to the vehicle or combination of vehicles. However, the maximum gross weight, including any allowable variance or tolerance, shall not exceed eighty thousand pounds (80,000 lbs.).

SECTION 3136. Arkansas Code § 27-35-206(a)(2)(D)(ii), concerning the width of vehicles operated on state highways, is amended to read as follows:

(ii) The signs or placards shall be of such a size, dimension, and color that it is readily apparent to the traveling public that the vehicle or combination is slow-moving and shall be in accordance with rules ~~and regulations~~ to be made and promulgated by the commission.

SECTION 3137. Arkansas Code § 27-35-208(c)(1)(B), concerning the length of vehicles operated on state highways, is amended to read as follows:

(B) The state shall not establish or enforce any ~~regulation~~ rule which imposes a semitrailer or trailer length limitation of less than fifty-three feet six inches (53' 6") on a semitrailer or trailer unit operating in combination with a truck tractor unit.

SECTION 3138. Arkansas Code § 27-35-210(g)(2), concerning permits for special cargoes, is amended to read as follows:

(2) To collect the fees therefor at the time of the issuance of the permits, except that any applicant may furnish a corporate surety bond guaranteeing the payment of fees for permits as may be issued during any period of time, in accordance with the rules ~~and regulations~~ promulgated by the issuing agency; and

SECTION 3139. Arkansas Code § 27-35-303 is amended to read as follows:

27-35-303. Rules ~~and regulations~~.

The Arkansas Department of Transportation shall promulgate rules ~~and regulations~~ covering the application for, and issuance of, special permits for the safe movement of manufactured home units in accordance with the provisions of this subchapter.

SECTION 3140. Arkansas Code § 27-35-304(b)(1), concerning the fee for a special permit to move manufactured home units, is amended to read as follows:

(b)(1) The rules ~~and regulations~~ of the State Highway Commission, with respect to the movement of manufactured homes upon the highways of this state shall be equally applicable to the movement of manufactured homes upon city streets and county roads in this state.

SECTION 3141. Arkansas Code § 27-35-309(a), concerning transportation

of houses and other structures, is amended to read as follows:

(a) Qualified house or structural movers in this state who have met the financial responsibility requirements of the laws of this state and ~~regulations~~ rules of the Arkansas Department of Transportation shall be authorized to move upon the public highways of this state houses and other structures up to and including twenty-eight feet six inches (28' 6") in width, exclusive of roof overhang, upon obtaining a permit as required by law.

SECTION 3142. Arkansas Code § 27-35-309(c), concerning transportation of houses and other structures, is amended to read as follows:

(c)(1) The State Highway Commission may issue such special ~~regulations~~ rules for the movement of houses and other structures on the highways as the commission deems necessary for the protection of the public safety.

(2)(A) The rules ~~and regulations~~ of the commission, with respect to the movement of overwidth, overheight, or overlength loads upon the highways of this state shall be equally applicable to the movement of houses and other structures upon city streets and county roads of this state.

(B) Municipalities and counties, respectively, may make and enforce other rules and regulations regarding the movement of houses and other structures on city streets and on county roads as they deem appropriate.

SECTION 3143. Arkansas Code § 27-37-203 is amended to read as follows:

27-37-203. Vehicles transporting explosives.

(a) Any person operating any vehicle transporting any explosive or other dangerous articles as cargo upon a highway shall at all times comply with the requirements of the ~~regulations~~ rules promulgated under this section.

(b) The State Highway Commission is authorized and directed to promulgate ~~regulations~~ rules governing the transportation of explosives and other dangerous articles in vehicles upon the highways as it deems advisable for the protection of the public.

SECTION 3144. Arkansas Code § 27-37-701(2), concerning the definition of "seat belt" under the laws governing mandatory seat belt use, is amended

to read as follows:

(2) “Seat belt” means any passenger restraint system as defined by the Department of Arkansas State Police, except that, until such time as the department has promulgated ~~regulations~~ rules defining “seat belt”, the term means any passenger restraint system which meets the federal requirements contained in 49 C.F.R. § 571.208.

SECTION 3145. Arkansas Code § 27-49-114(16), concerning the definition of "police officer" under the Uniform Act Regulating Traffic on Highways of Arkansas, is amended to read as follows:

(16) “Police officer” means an officer authorized to direct or regulate traffic or to make arrests for violations of traffic regulations or rules;

SECTION 3146. Arkansas Code § 27-50-204(a), concerning employees of the Arkansas Highway Police Division of the Arkansas Department of Transportation, is amended to read as follows:

(a) The State Highway Commission shall establish rules ~~and regulations~~ governing employees of the Arkansas Highway Police Division of the Arkansas Department of Transportation.

SECTION 3147. Arkansas Code § 27-50-204(c), concerning employees of the Arkansas Highway Police Division of the Arkansas Department of Transportation, is amended to read as follows:

(c) All moneys coming into the hands of the employees in the enforcement of revenue laws shall be subject to ~~regulations~~ rules and procedures as the Director of the Department of Finance and Administration shall direct.

SECTION 3148. Arkansas Code § 27-50-805 is amended to read as follows:

27-50-805. Credibility as witness not affected.

The forfeiture of a bond or the conviction of a person upon a charge of violating any provision of this act or other traffic regulation or rule less than a felony shall not affect or impair the credibility of the person as a witness in any civil or criminal proceeding.

SECTION 3149. Arkansas Code § 27-50-911 is amended to read as follows:

27-50-911. Rules ~~and regulations~~.

The Director of the Department of Finance and Administration may promulgate rules ~~and regulations~~ necessary to carry out the provisions of this subchapter.

SECTION 3150. The introductory language of Arkansas Code § 27-50-1203(e)(1), concerning the creation of the Arkansas Towing and Recovery Board, is amended to read as follows:

(e)(1) The board shall promulgate rules ~~and regulations~~ to carry out the intent of this subchapter and shall regulate the towing industry and vehicle immobilization service industry, including:

SECTION 3151. Arkansas Code § 27-50-1203(e)(2) and (3), concerning the creation of the Arkansas Towing and Recovery Board, are amended to read as follows:

(2) The promulgation and adoption of rules ~~and regulations~~ shall in all respects be in the manner provided by the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

(3) After the promulgation and adoption of rules ~~or regulations~~, any proposed change to add to, amend, repeal, or change any of the rules ~~or regulations~~ shall not have effect until reviewed and approved by the Administrative Rules ~~and Regulations~~ Subcommittee of the Legislative Council subsequent to the time that the General Assembly next meets in regular session unless a finding exists that imminent peril to the public health, safety, or welfare requires immediate adoption, amendment, or repeal of the rules ~~or regulations~~.

SECTION 3152. Arkansas Code § 27-50-1203(g)(1), concerning the creation of the Arkansas Towing and Recovery Board, is amended to read as follows:

(g)(1) The board shall have the authority to employ and discharge any personnel as may be necessary to administer and enforce the provisions of this subchapter and the rules ~~and regulations~~ promulgated hereunder.

SECTION 3153. Arkansas Code § 27-50-1204(d), concerning liability for

costs of towing, recovery and storage of an abandoned vehicle, is amended to read as follows:

(d) Any person, excluding a law enforcement officer, who is determined by the board after reasonable notice and opportunity for a fair and impartial hearing held in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq., to have committed an act that is in violation of this subchapter or any rules ~~and regulations~~ promulgated under this subchapter is subject to civil penalties prescribed by the board, including monetary penalties not to exceed five thousand dollars ($5,000) or the suspension or revocation of any towing license or permit, or both.

SECTION 3154. Arkansas Code § 27-50-1218(d)(1), concerning consumer complaint resolution against a towing company, is amended to read as follows:

(d)(1) Financial restitution to the complainant shall be considered as a part of the penalty by the board when a towing company or tow owner is found to have violated provisions of the rules ~~and regulations~~ promulgated by the board.

SECTION 3155. Arkansas Code § 27-50-1220(a)(2)(C), concerning the authority to issue citations by an investigator of the Arkansas Towing and Recovery Board, is amended to read as follows:

(C) Operating a tow vehicle that is out of compliance with the safety and operating ~~regulations~~ rules prescribed by the board;

SECTION 3156. Arkansas Code § 27-51-1002(c)(1)(A), concerning specifications for identification and safety devices for a school bus, is amended to read as follows:

(c)(1)(A) The board is vested with full authority and responsibility to prescribe by ~~regulation~~ rule the number and location and other specifications for alternating red warning lights on school buses operated in this state.

SECTION 3157. Arkansas Code § 27-51-1002(c)(2), concerning specifications for identification and safety devices for a school bus, is amended to read as follows:

(2) It shall be the duty of the operator of every school bus operated in this state to conduct an inspection before each trip begins to see that all identification and safety devices required by this section or required by ~~regulation~~ rule of the board are displayed on the vehicle in the manner required, and it is unlawful for any person to operate a school bus in this state unless identification and safety devices are properly displayed and in proper working order.

SECTION 3158. Arkansas Code § 27-52-110(b)(1), concerning an automated enforcement device operated by a county government or a department of state government operating outside a municipality, is amended to read as follows:

(1) A violation of the traffic laws, rules, or regulations of the State of Arkansas; or

SECTION 3159. Arkansas Code § 27-52-111(b)(1), concerning an automated enforcement device operated by a county government or a department of state government operating outside a municipality, is amended to read as follows:

(1) A violation of the traffic laws, rules, or regulations of the State of Arkansas; or

SECTION 3160. Arkansas Code § 27-65-107(a)(13) and (14), concerning the powers and duties of the State Highway Commission, are amended to read as follows:

(13) To adopt rules ~~and regulations~~ to implement the commission's powers;

(14) To adopt reasonable rules ~~and regulations~~ from time to time for the protection of, and covering, traffic on and in the use of the state highway system and in controlling use of, and access to, the highways, except that no provision contained herein shall be construed as repealing the existing "rules of the road";

SECTION 3161. Arkansas Code § 27-65-107(b), concerning the powers and duties of the State Highway Commission, is amended to read as follows:

(b) The rules ~~and regulations~~, together with any additions or amendments thereto, prescribed by the commission under the provisions of this chapter shall have the force and effect of law. Any person, firm, or

corporation violating any rule ~~or regulation~~ or any addition or amendment thereto shall be guilty of a misdemeanor and, upon conviction, shall be fined not less than five dollars ($5.00) nor more than one hundred dollars ($100) for each offense.

SECTION 3162. Arkansas Code § 27-65-114(b), concerning tourist information bureaus, is amended to read as follows:

(b) The commission shall adopt and establish ~~regulations~~ rules for the establishment and maintenance of the tourist information bureaus provided for in this section.

SECTION 3163. Arkansas Code § 27-66-601(c)(3), concerning state inmates working on roads, is amended to read as follows:

(3) The Arkansas Department of Transportation shall determine the number of inmates needed and shall prescribe the rules ~~and regulations~~ under which they shall work.

SECTION 3164. Arkansas Code § 27-67-204(e)(1), concerning the designation of roads in and connected to state parks, is amended to read as follows:

(e)(1) Notwithstanding any law to the contrary the Department of Parks and Tourism is permitted by ~~regulation~~ rule to authorize the use of motorized scooters on roads within areas under the control and management of the Department of Parks and Tourism.

SECTION 3165. The introductory language of Arkansas Code § 27-67-206(j)(2)(A), concerning new road construction, is amended to read as follows:

(A) Establish written procedures and ~~regulations~~ rules for the procurement of:

SECTION 3166. Arkansas Code § 27-67-218(b)(1), concerning digging up highways without authorization, is amended to read as follows:

(b)(1) All work shall be done in accordance with the rules ~~and regulations~~ that may be prescribed by the commission.

SECTION 3167. Arkansas Code § 27-67-221(e), concerning the authority of the Arkansas Department of Transportation to inform amateur radio operators of high frequency radio repeaters, is amended to read as follows:

(e) The Director of State Highways and Transportation shall have the authority to promulgate any necessary rules ~~and regulations~~ to implement this section and establish any conditions and guidelines for participation by any local amateur radio operators or clubs.

SECTION 3168. Arkansas Code § 27-74-201(a), concerning the policy regarding control of outdoor advertising devices, is amended to read as follows:

(a) The General Assembly finds and declares that the erection and maintenance of outdoor advertising signs, displays, and devices in areas adjacent to certain sections of the National System of Interstate and Defense Highways, and federal-aid primary and other state highways designated by the State Highway Commission in the Arkansas state highway system shall be controlled in accordance with the terms of this chapter and ~~regulations~~ rules promulgated pursuant thereto, in order to protect the public interest; to promote the public health, safety, and welfare; to preserve natural beauty; and to promote reasonable, orderly, and effective display of outdoor advertising in the State of Arkansas.

SECTION 3169. Arkansas Code § 27-74-203(b), concerning the regulation of the erection and maintenance of outdoor advertising signs, displays, and devices, is amended to read as follows:

(b) Therefore, no outdoor sign, display, or device shall be erected in these areas except as hereinafter provided and in accordance with ~~regulations~~ rules promulgated by the commission.

SECTION 3170. Arkansas Code § 27-74-207(a), concerning the removal of outdoor advertising devices and notice to the owner, is amended to read as follows:

(a) The State Highway Commission shall give thirty (30) days' notice, by certified mail, to the owner of the land on which an advertising device is located to remove it if it is a prohibited device or cause it to conform to ~~regulations~~ rules if it is an authorized device.

SECTION 3171. Arkansas Code § 27-74-211(b) and (c), concerning the adoption and promulgation of rules governing the issuance of permits for the erection and maintenance of outdoor advertising devices, are amended to read as follows:

(b) The definition of an unzoned commercial or industrial area shall be determined by agreement between the commission and the United States Secretary of Transportation but shall be no more restrictive than that required by Title 23 of the United States Code. The commission shall then adopt and promulgate ~~regulations~~ rules governing the issuance of permits for the erection and maintenance of outdoor advertising coming within the purview of this chapter, consistent with the safety and welfare of the traveling public, and as may be necessary to carry out the policy of the state declared in this chapter consistent with customary usage, the purposes of this chapter, and in agreement with the United States Secretary of Transportation.

(c) In the event that federal statutes, rules, or regulations conflict with the provisions of §§ 27-74-210 — 27-74-212 or ~~regulations~~ rules promulgated thereunder, the commission is authorized to promulgate rules ~~and regulations~~ necessary to comply with federal law after first obtaining the advice of the Legislative Council thereon while pursuing, insofar as possible, the legitimate objectives of those sections.

SECTION 3172. Arkansas Code § 27-74-212(b), concerning the time limit for action on application for a permit for an outdoor advertising device, is amended to read as follows:

(b) When an application is filed with the commission or the Arkansas Department of Transportation under § 27-74-211 or ~~regulations~~ rules adopted pursuant thereto for a permit to erect or maintain outdoor advertising, the commission or the department shall either grant or deny such permit within sixty (60) days from the date on which the application was filed with the commission or the department.

SECTION 3173. Arkansas Code § 27-74-405(b), concerning the screening requirement for junkyards, is amended to read as follows:

(b) The commission is authorized and directed to promulgate rules ~~and regulations~~ governing the location, planting, construction, and maintenance,

including materials used therein, of the screening and fencing required under this chapter.

SECTION 3174. Arkansas Code § 27-74-501(b), concerning the restoration, preservation, and enhancement of scenic beauty adjacent to state highways, is amended to read as follows:

(b) Therefore, it is the duty of the State Highway Commission to adopt, promulgate, and enforce reasonable ~~regulations~~ rules for landscape and roadside development of the scenic values of selected areas adjacent to these highways through the acquisition and development of scenic easements on and improvement of strips of land necessary for the restoration, preservation, and enhancement of such scenic beauty, including scenic overlooks and rest and recreation areas.

SECTION 3175. Arkansas Code § 27-86-210(a), concerning the state purchase of private toll bridges and construction of free bridges, is amended to read as follows:

(a) The State Highway Commission is authorized and empowered to purchase any or all of the privately owned toll bridges in the State of Arkansas at prices to be fixed by the commission in accordance with rules ~~and regulations~~ to be promulgated by the commission.

SECTION 3176. Arkansas Code § 27-87-103(b), concerning public ferries on private streams, is amended to read as follows:

(b) And when so declared by the county court, the ferry shall be and remain a public ferry during the pleasure of the court and be subject to all the ~~regulations~~ rules and restrictions that are made by law applicable to public ferries on navigable streams.

SECTION 3177. Arkansas Code § 27-90-202(a)(6), concerning the authority of State Highway Commission to undertake turnpike projects, is amended to read as follows:

(6) Establish rules ~~and regulations~~ for the use of each turnpike project;

SECTION 3178. Arkansas Code § 27-101-102(b)(1), concerning the effect

on ordinances for the operation of vessels on waterways, is amended to read as follows:

(1) Prevent the adoption of any ordinance or local law relating to operation and equipment of vessels, the provisions of which are identical to or are not in conflict with the provisions of this subchapter, amendments thereto, or ~~regulations~~ rules issued thereunder;

SECTION 3179. Arkansas Code § 27-101-108 is amended to read as follows:

27-101-108. Filing and publication of rules ~~and regulations~~.

(a) A copy of the ~~regulations~~ rules adopted pursuant to §§ 27-101-101 et seq., 27-101-201 et seq., 27-101-301 et seq., 27-101-501 et seq., and 27-101-601 et seq. and of any amendments of those ~~regulations~~ rules shall be filed in the offices of the Arkansas State Game and Fish Commission, the Secretary of State, the Arkansas State Library, and the Bureau of Legislative Research where each copy shall be preserved as a public record.

(b) A copy of the ~~regulations~~ rules adopted under § 27-101-401 et seq. and of any amendments of those ~~regulations~~ rules shall be filed in the offices of the Department of Health, the Secretary of State, the Arkansas State Library, and the Bureau of Legislative Research where each copy shall be preserved as a public record.

(c) Rules ~~and regulations~~ under this section shall be published by the responsible state agency in a convenient form for public use.

SECTION 3180. Arkansas Code § 27-101-203(a)(1)(E), concerning equipment requirements for waterway vessels, is amended to read as follows:

(E) Additional equipment designed to promote the safety of navigation and of persons that the Arkansas State Game and Fish Commission may find to be appropriate and for which it has provided in its rules ~~and regulations~~. However, before making those rules ~~and regulations~~, or changes or additions thereto, the Arkansas State Game and Fish Commission shall hold public hearings, after reasonable notice thereof, of any proposed rule ~~or regulation~~ to be adopted; and

SECTION 3181. Arkansas Code § 27-101-305(a)(2), concerning the display

of motorboat numbers, is amended to read as follows:

(2) The numbers to be procured and attached shall be at least three inches (3") in height and of block character, and shall be attached to the forward half of each side of the vessel and clearly visible, pursuant to federal law, and attached in such a manner and position on the boat as may be prescribed by the rules ~~and regulations~~ of the Arkansas State Game and Fish Commission in order that they may be clearly visible.

SECTION 3182. Arkansas Code § 27-101-408(b), concerning marine sanitation funds, is amended to read as follows:

(b) Subject to rules ~~and regulations~~ that may be implemented by the Chief Fiscal Officer of the State, the disbursing officer for the Department of Health is authorized to transfer all unexpended funds relative to marine toilets and marine sanitation systems that pertain to fees or fines collected, as certified by the Chief Fiscal Officer of the State, to be carried forward and made available for expenditures for the same purpose for any following fiscal year.

SECTION 3183. Arkansas Code § 27-101-409(a), concerning the powers and duties of the Marine Sanitation Advisory Committee, is amended to read as follows:

(a) Review all rules and regulations relating to marine toilets, marine sanitation systems, and disposal of marine sewage from boats as necessary to inform marina operators and boat owners of all requirements of state and federal law;

SECTION 3184. Arkansas Code § 27-101-413(1), concerning the powers and duties of the Department of Health for marine toilet facilities, is amended to read as follows:

(1) Administer and enforce all laws, rules, and regulations to the extent permitted by federal law and in accordance with applicable regulations that are adopted by the United States Coast Guard and the United States Environmental Protection Agency and that relate to marine toilet facilities, marine sanitation devices, and unlawful discharge of marine sewage from vessels into waters of this state;

SECTION 3185. Arkansas Code § 27-101-413(3), concerning the powers and duties of the Department of Health for marine toilet facilities, is amended to read as follows:

(3) Adopt ~~regulations~~ rules that are consistent with applicable federal law after consultation with the Marine Sanitation Advisory Committee and that are deemed necessary to carry out the provisions of this subchapter;

SECTION 3186. Arkansas Code § 27-101-414(a), concerning penalties for violation of marine sanitation rules, is amended to read as follows:

(a) Any person who violates any provision of this subchapter or any ~~regulation~~ rule promulgated under this subchapter shall be guilty of a misdemeanor and subject to a fine of not less than one hundred dollars ($100) and not more than one thousand dollars ($1,000) or imprisonment not to exceed three (3) months, or both.

SECTION 3187. Arkansas Code § 27-101-414(b)(1), concerning penalties for violation of marine sanitation rules, is amended to read as follows:

(b)(1) Any person who violates any provision of this subchapter or any ~~regulation~~ rule promulgated under this subchapter may be assessed an administrative civil penalty not to exceed one thousand dollars ($1,000) per violation.

SECTION 3188. Arkansas Code § 27-101-502(b), concerning electronic proof of boater education, is amended to read as follows:

(b) When any law, rule, or regulation of this state requires a person to carry and display upon request a boater education certificate, an electronic copy of the boater education certificate in an acceptable electronic format is sufficient to establish compliance.

SECTION 3189. Arkansas Code § 27-101-604(c), concerning the regulation of personal watercraft liveries, is amended to read as follows:

(c) A personal watercraft livery shall provide for the operator of rental personal watercraft in print prior to rental the boating regulations and rules peculiar to the area of rental, including, but not limited to, no-entry zones, no-wake zones, channel routes and water hazards, and tidal flow, where applicable.

SECTION 3190. Arkansas Code § 27-101-607 is amended to read as follows:

27-101-607. Scope.

The provisions of this subchapter shall be supplemental and in addition to any other laws, rules, or regulations relating to boats or other watercraft.

SECTION 3191. Arkansas Code § 27-114-103 is amended to read as follows:

27-114-103. Evidence — License number or identification mark.

In any proceeding for violating the provisions of this act or the rules ~~and regulations~~ of the department adopted pursuant to this act, the federal license number or identification mark displayed on the aircraft shall be prima facie evidence that the owner of the aircraft was operating the aircraft.

SECTION 3192. Arkansas Code § 27-115-106 is amended to read as follows:

27-115-106. Administration — Promulgation of rules ~~and regulations~~.

The Arkansas Department of Aeronautics shall administer the provisions of this chapter and § 27-116-101 et seq. and is authorized and directed to promulgate ~~regulations~~ rules as necessary to execute the powers invested in it by this chapter and § 27-116-101 et seq. and other applicable laws.

SECTION 3193. Arkansas Code § 27-115-108(a)(2), concerning the duties of the Arkansas Department of Aeronautics, is amended to read as follows:

(2) Adopt rules ~~and regulations~~ for the issuance, expiration, suspension, or revocation of licenses of airports, landing fields, and air navigation facilities, and of other licenses or certificates that the department deems necessary in administering the functions vested in the department under this chapter and § 27-116-101 et seq.;

SECTION 3194. Arkansas Code § 27-115-108(a)(8), concerning the duties of the Arkansas Department of Aeronautics, is amended to read as follows:

(8) Adopt rules ~~and regulations~~ governing instruction in flight

or ground school offered to student fliers or mechanics when the instruction is conducted by individual flight instructors licensed under appropriate Federal Aviation Administration regulations and adopt rules ~~and regulations~~ governing the safety, adequacy, and sufficiency of airports, landing fields, and air navigation facilities and equipment used or to be used in the instruction of student fliers or mechanics;

SECTION 3195. Arkansas Code § 27-115-108(a)(9), concerning the duties of the Arkansas Department of Aeronautics, is amended to read as follows:

(9) Adopt rules ~~and regulations~~ for the marking of highways, municipalities, and all other serial markings used throughout the state;

SECTION 3196. Arkansas Code § 27-115-108(a)(10), concerning the duties of the Arkansas Department of Aeronautics, is amended to read as follows:

(10) Adopt rules ~~and regulations~~ governing the erection, location, and maintenance of aerial beacon lights and other aerial night lighting equipment within the state;

SECTION 3197. Arkansas Code § 27-115-108(a)(13), concerning the duties of the Arkansas Department of Aeronautics, is amended to read as follows:

(13) Establish by ~~regulation~~ rule the minimum safe altitudes for flight, including air traffic rules; and

SECTION 3198. Arkansas Code § 27-115-108(b), concerning the duties of the Arkansas Department of Aeronautics, is amended to read as follows:

(b) All rules ~~and regulations~~ prescribed by the department under the authority of this section shall be consistent with and conform to current federal legislation governing aeronautics and the regulations duly promulgated thereunder and rules issued from time to time pursuant thereto. Nothing in this section shall confer upon the department the power to determine schedules, issue stock, or determine public convenience or the adequacy and sufficiency of service of common carriers engaged in commercial flying within this state.

SECTION 3199. Arkansas Code § 27-116-101(6), concerning unlawful acts when operating or navigating aircraft, is amended to read as follows:

(6) Use a false or fictitious name or give a false or fictitious address in any application or form required under the provisions of § 27-115-101 et seq. and this chapter, or the rules ~~and regulations~~ of the department adopted pursuant to § 27-115-101 et seq. and this chapter, knowingly make any false statement or report, knowingly conceal a material fact, or otherwise commit a fraud in any application.

SECTION 3200. Arkansas Code § 27-116-205 is amended to read as follows:

27-116-205. Display of licenses.

The certificate of the license required for the person operating aircraft and the certificate of the license required for aircraft and other licenses or certificates that may be issued by the Arkansas Department of Aeronautics shall be kept in such places and exhibited to such persons at such time and under such ~~regulations~~ rules and circumstances as shall be required by the ~~regulations~~ rules of the department.

SECTION 3201. Arkansas Code § 27-116-405(a)(1), concerning presale requirements for a downed aircraft transmitting device, is amended to read as follows:

(1) The device shall meet the minimum standards for transmitting devices established pursuant to this subchapter and the ~~regulations~~ rules promulgated by the Arkansas Department of Aeronautics hereunder;

SECTION 3202. Arkansas Code § 28-65-212(d)(2), concerning responsibility for evaluations prior to a hearing on a petition for guardianship and duties of the Department of Human Services, is amended to read as follows:

(2) The department shall issue ~~regulations~~ rules to implement this provision.

SECTION 3203. Arkansas Code § 28-71-107(a) and (b), concerning limited investment in private venture capital projects, are amended to read as follows:

(a) Unless prohibited by federal law or regulations promulgated thereunder, but notwithstanding any law or ~~regulation~~ rule of this state to

the contrary, fiduciaries and financial institutions may invest up to no more than two and one-half percent (2½%) of their funds eligible for investment, but not more than ten percent (10%) of their capital, including common capital stock, certified surplus, capital notes, and undivided profits, in Arkansas private venture capital projects without being in contravention of any prudent investor rule. This limitation is applicable only at the time of investment, and it shall not constitute a contravention of the prudent investor rule if investments in Arkansas private venture capital projects are in excess of this limitation by virtue of a reduction in the amount of funds eligible for investment.

(b) The primary state regulators of the fiduciaries making such investments under this section shall promulgate rules ~~and regulations~~ for the implementation of this section.

SECTION 3204. DO NOT CODIFY.

(a) This act shall not invalidate or affect any rules or regulations promulgated pursuant to law that are in effect on the effective date of this act.

(b)(1) All rules and regulations shall remain valid until repealed, replaced, amended, or invalidated in some other manner;

(2) No governmental entity shall be required to re-promulgate existing regulations solely to comply with this act;

(3) A governmental entity shall ensure the use of the term rule upon promulgation of any rule after the effective date of this act.

(c) The enactment and adoption of this act shall not expressly or impliedly repeal an act passed during the regular session of the Ninety-Second General Assembly.

(1) To the extent that a conflict exists between an act of the regular session of the Ninety-Second General Assembly and this act:

(2) The act of the regular session of the Ninety-Second General Assembly shall be treated as a subsequent act passed by the General Assembly for the purpose of:

(A) Giving the act of the regular session of the Ninety-Second General Assembly its full force and effect; and

(B) Amending or repealing the appropriate parts of the Arkansas Code of 1987; and

(3) Section 1-2-107 shall not apply.

APPROVED: 3/5/19